

FORM ADV – PART 2A

Disclosure Brochure • December 11, 2018

This brochure provides information about the qualifications and business practices of Ameritas Investment Corp. (“AIC”). If you have any questions about the contents of this brochure, please contact us at (800) 335-9858, or by email at AIC_Compliance@ameritas.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Ameritas Investment Corp. is available on the SEC’s website at www.adviserinfo.sec.gov by searching for Ameritas Investment Corp. You may search for information by using our name or by CRD number. The CRD number for Ameritas Investment Corp. is 14869.

Registration as an Investment Adviser does not imply a certain level of skill or training.



Ameritas Investment Corp.

Member FINRA/SIPC

5900 O Street / Lincoln, NE 68510 / (800) 335-9858

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide clients as required by SEC rules. The amendment requires Ameritas Investment Corp. (“AIC”) to provide a summary of material changes to you within 120 days of our fiscal year end, which is December 31st. This item includes a summary of the material changes that were made to Ameritas’ ADV Part 2A—Firm Brochure since the last annual filing.

The last annual update to the Ameritas Investment Corp. Form ADV Part 2A was filed on March 29, 2018. Since then the following material changes have occurred:

- Item 4-Advisory Business was updated to include the Galaxy II Program, a new advisory program offered through AIC.
- Item 4-Advisory Business was updated to include the Galaxy II Wrap Program, a new advisory program offered through AIC.
- Item 4-Advisory Business was updated to reflect that Solicitor Programs are no longer closed to new clients.
- Item 5-Fees and Compensation was updated to further disclose additional compensation received by AIC in connection with its execution of securities transactions in advisory programs.
- Item 5-Fees and Compensation was updated to reflect that AIC only allows monthly, quarterly, or semi-annual payments for financial consulting services.
- Item 10-Other Financial Industry Affiliations was updated to include information regarding AIC’s relationships with banks, credit unions and other financial institutions.
- Item 10-Other Financial Industry Affiliations was updated to reflect that AIC does not engage in in principal transactions in advisory accounts.
- Item 12-Brokerage Practices was updated to include AIC’s selection of broker dealers and third-party custodians for execution of client transactions in our advisory programs.
- Item 12-Brokerage Practices was updated to remove references to NTF Revenue Sharing as AIC no longer receives these payments.
- Item 14-Client Referrals and Other Compensation was updated to include information regarding compensation paid to banks, credit unions and other financial institutions.
- Item 14-Client Referrals and Other Compensation was updated to remove references to NTF Revenue Sharing as AIC no longer receives these payments.
- Item 14-Client Referrals and Other Compensation was updated to include information regarding compensation received by AIC from third party investment advisers.
- Item 15-Custody was updated to reflect AIC’s practices related to custody of customer funds and securities.

We may update this Brochure at any time. If we make any material changes relating to Item 11-Disciplinary Information, we will provide you either (i) a complete copy of our Form ADV Part 2A that includes or is accompanied by a summary of material changes or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV Part 2A.

We urge you to carefully review all subsequent summaries of material changes as they will contain information about significant changes to our advisory services, fee structure, business practices, conflicts of interest and disciplinary history.

To receive a complete copy of our Brochure at no charge, please visit our website at www.ameritas.com or contact our Compliance Department at 800-335-9858

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Item 4 – Advisory Business

Description of Our Firm & Principal Owners

Ameritas Investment Corp. (referred to as “AIC” throughout this document) is an investment adviser registered with the Securities and Exchange Commission (“SEC”) pursuant to the Investment Advisers Act of 1940. AIC was incorporated in 1984, and has been registered with the SEC as an investment adviser since 1998.

AIC is owned by Ameritas Life, whose ultimate parent is the Ameritas Mutual Holding Company (“Ameritas”). Subsidiaries of Ameritas Mutual Holding Company, include Ameritas Life Insurance Corp. (“ALIC”), Ameritas Life Insurance Corp. of New York (“Ameritas Life of NY”) and Ameritas Investment Partners, Inc (“AIP”). Additional information regarding our affiliated companies as well as their activities can be found in Item 10-Other Financial Industry Activities and Affiliations.

Introduction

AIC is a dually registered investment adviser and broker-dealer, member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investors Protection Corporation (“SIPC”).

As an investment adviser, AIC offers a variety of advisory services that are made available to clients through individuals associated with AIC as investment adviser representatives (“IARs” or “IAR”). When acting as an investment adviser, AIC and its IARs have a fiduciary duty to our advisory clients and must make full and fair disclosure to our advisory clients relating to our advisory relationships. As a fiduciary we aim to always put your interests ahead of our own, identify material conflicts, and eliminate, mitigate and/or disclose these conflicts.

As a broker-dealer AIC offers securities products on a commission basis, is a provider of municipal bond underwritings primarily in the State of Nebraska and distributor of variable insurance products issued by ALIC.

AIC branch offices may use marketing names or other names that are held out to the public. Such names are known as “doing business as” names. Such marketing names primarily promote overall financial services of an IAR and should not be viewed as an entity through whom securities are sold and/or investment advisory services are provided. While AIC allows its IARs to use a name other than Ameritas Investment Corp., the IAR must disclose on advertising and client correspondence that securities and advisory services are offered through AIC.

An IAR may be registered with AIC as a broker-dealer registered representative and appointed as an agent with insurance companies including AIC affiliated firms. In these instances, an IAR may recommend fee-based investment advisory services, commission based accounts, and annuities or other insurance products. For more information about the IAR providing advisory services to you, please refer to the Brochure Supplement for the IAR. The Brochure Supplement is a separate document that is provided by the IAR along with this Brochure before or at the time you engage the IAR. If you did not receive a Brochure Supplement for the IAR, you should contact the IAR or AIC at AIC_Compliance@ameritas.com or 800-335-9858.

Before engaging with an IAR, you should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of service best serves your investment needs and goals. You should bear in mind that your total cost for transactions under a fee account versus a commission account can vary significantly and depend on a number of facts such as account size, volume of trading activity (number of transactions), type and quantity of securities purchased or sold, and commission rates.

Description of Primary Advisory Services

AIC’s advisory services primarily consist of asset management services, financial planning and consulting as well as retirement plan advisory services. Our services are designed to provide investment programs that are suitable for our client’s financial goals, objectives and risk tolerances.

Asset Management Services

AIC offers fee based asset management services through portfolios or custom strategies created by IARs, co-advisory relationships with third party money managers, and may act as a solicitor to third-party programs. Your account may be managed on a discretionary or non-discretionary basis. In a discretionary account we, our IARs or third-party investment advisers have the authority to buy or sell securities without contacting you in advance. This may include selection of model portfolios, sub-account selection in variable annuities, or the selection and execution of securities transactions.

Non-discretionary accounts are accounts where your IAR provides recommendations as to the purchase or sale of specific securities or separate account managers, however your IAR does not place orders to buy or sell non-discretionary assets without first receiving your authorization.

Galaxy Program

The Galaxy Program provides participants with customized asset management services. Assets for this program are custodied at National Financial Services, LLC (“NFS”), 155 Seaport Blvd., Boston, MA. You will authorize your IAR to purchase securities based on your specific investment objectives and financial strategy. Your IAR will request information from you regarding your financial situation, investment objectives, risk tolerance, and other factors that might be considered in the management of your account. Your IAR will assist you in determining suitable investments and setting appropriate investment objectives. Recommendations may be provided on a variety of investment options to suit your specific needs. The types of securities that your IAR may purchase and sell for your account include, but are not limited to, mutual funds, exchange traded funds (“ETFs”), equities, and fixed income securities. Your IAR may also recommend the purchase of a fee based variable annuity or life insurance product and make recommendations on subaccounts.

This program may be non-discretionary where investment decisions are made by you. You may also grant discretion to your IAR. Your IAR must obtain written authorization from you prior to exercising discretionary authority over your account. When acting with discretion, your IAR has the authority to buy or sell securities without contacting you in advance. You may place reasonable restrictions on the management of your account including restrictions on the type of securities that can be purchased in your account. You may withdraw your authorization at any time by providing written notice to AIC or your IAR.

In connection with the Galaxy Program, your IAR may also provide financial planning or consulting services. In these circumstances, your IAR's initial analysis will include a basic review of your fundamentals, including your net worth and current cash flow, protection needs and basic estate planning needs. The initial recommendations may address only the areas that you have identified as your most immediate needs and priorities. Your IAR is not obligated to make any recommendations or give any financial advice to you that, in the sole judgment of the IAR, would be impracticable, unsuitable, unattainable or undesirable. As part of your IAR's basic review of your fundamentals, you may receive, without charge, a life insurance analysis. Your IAR will receive no compensation for the life insurance analysis but will receive compensation in the form of commissions or fees if you choose to purchase insurance through your IAR.

Galaxy Wrap Fee Program

The Galaxy Wrap Fee Program is distinguishable from the Galaxy Program in that it provides you with the services available in Galaxy for one asset-based fee, and any trades within the program are made without incurring transaction charges. Assets for this program are custodied at National Financial Services, LLC ("NFS"), 155 Seaport Blvd., Boston, MA. Miscellaneous custodial charges for the program such as confirmation fees, reorganization fees, transfer fees, IRA and Qualified Retirement Plan Account Custodian fees, and/or termination fees may be assessed by NFS. Other fees may be assessed directly by mutual fund companies as described in the applicable prospectus(es).

More detailed information about the Galaxy Wrap Fee Program can be found in the Galaxy Wrap Fee Program brochure available through your IAR.

Galaxy II Program

The Galaxy II Program is only available through a limited number of IARs. These IARs must meet certain criteria prescribed by AIC subject to AIC's discretion. Assets for this program are custodied at TD Ameritrade, Inc., 200 South 108th Avenue, Omaha, NE 68154.

As a participant in the Galaxy II Program, you will provide information regarding your investment objectives, risk tolerance, and other factors to your IAR. Based upon the information you provide, your IAR will recommend specific investments, investment strategies, or model portfolios developed by your IAR or a third-party investment manager.

In connection with the Galaxy II Program, your IAR may also provide financial planning or consulting services. In these circumstances, your IAR's initial analysis will include a basic review of your fundamentals, including your net worth and current cash flow, protection needs and basic estate planning needs. The initial recommendations may address only the areas that you have identified as your most immediate needs and priorities. Your IAR is not obligated to make any recommendations or give any financial advice to you that, in the sole judgment of the IAR, would be impracticable, unsuitable, unattainable or undesirable. As part of your IAR's basic review of your fundamentals, you may receive, without charge, a life insurance analysis. Your IAR will receive no compensation for the life insurance analysis but will receive compensation in the form of commissions or fees if you choose to purchase insurance through your IAR.

You will grant your IAR and AIC discretionary authority to direct the purchase and sale of securities or other investments for your account. You may place reasonable restrictions on the management of your account including restrictions on the type of securities that can be purchased in your account.

Galaxy II Wrap Fee Program

The Galaxy II Wrap Fee Program is distinguishable from the Galaxy Program in that it provides you with the services available in Galaxy for one asset-based fee, and any trades within the program are made without incurring transaction charges. Assets for this program are custodied at TD Ameritrade, Inc., 200 South 108th Avenue, Omaha, NE 68154.

Miscellaneous custodial charges for the Program such as confirmation fees, reorganization fees, transfer fees, IRA and Qualified Retirement Plan Account Custodian fees, and/or termination fees may be assessed by TD Ameritrade. Other fees may be assessed directly by mutual fund companies as described in the applicable prospectus(es).

More detailed information about the Galaxy II Wrap Fee Program can be found in the Galaxy II Wrap Fee Program brochure available through your IAR.

Constellation Wrap Fee Program

The Constellation Model Portfolio Wrap Fee Program ("Constellation") provides you with ongoing discretionary management of your portfolio for one annualized fee. Assets for this program are custodied at National Financial Services, LLC ("NFS"), 155 Seaport Blvd., Boston, MA. AIC, through your IAR, provides six professionally managed investment portfolios developed by AIC's Investment Committee which includes individuals from our affiliated investment advisor, AIP. AIC has retained AIP to assist with the development of investment portfolios, portfolio monitoring, trading and account administration. AIC will act with discretionary authority to buy and sell securities or other investments for your account consistent with the model(s) you select.

More detailed information about the Constellation Wrap Fee Program can be found in the Constellation Wrap Fee Program brochure available through your IAR.

Managed Account Solutions Wrap Fee Program

The Managed Account Solutions Wrap Fee Program (“MAS Program”) is a wrap fee program sponsored by AIC. AIC has retained Envestnet Asset Management, Inc. and its affiliates (“Envestnet”), an unaffiliated registered investment adviser, to provide, either directly or indirectly, various investment advisory and related technology and program services to AIC’s IARs and clients participating in the program. The MAS Program offers Fund Strategist Portfolios (FSPs), Multi-Manager Accounts (MMAs), Separately Managed Accounts (SMAs), and Unified Managed Accounts (UMAs) managed by third-party money managers.

AIC, through your IAR, will examine your investment objectives, risk tolerance, and other factors in order to recommend a portfolio to you. You will make the decision as to whether to invest in the recommended portfolio. Once you select a portfolio, AIC and its IAR will utilize the financial information you provide to monitor your portfolio to ensure that it remains prudent based on your risk profile and financial situation. IARs may utilize tools provided by Envestnet to assess your risk profile and investment objectives to construct a proposal for your Account, including a statement of investment selection identifying the portfolios chosen.

Envestnet will execute all trades for your account based upon the model you select. Neither AIC nor its IARs have the authority to make discretionary investment decisions for you in this program.

Assets for this program are custodied at National Financial Services, LLC (“NFS”), 155 Seaport Blvd., Boston, MA.

If you choose to engage in this program, you should read a copy of AIC’s MAS Program Brochure and Envestnet’s Program Brochure. Both documents contain more detailed information on fees and services.

Direct Advisory Third-Party Programs

AIC offers investment advisory services and programs of third-party investment managers in which AIC, through its IARs, provides non-discretionary recommendations of third-party investment management programs and related client relationship services. Through these programs, third-party investment managers provide ongoing discretionary investment management. Assets for the programs will be held with custodians selected by the third-party investment managers.

Your IAR will examine your investment objectives, risk tolerance, and other factors to assist them in determining the initial recommendation of a third-party investment manager. The information you provide includes a description of the investment objectives and guidelines for your account, including any investment restrictions you intend to apply to your account. Upon your selection of a third-party investment manager, your IAR may also assist you in selecting a model portfolio designed and managed by the recommended third-party investment manager. AIC and its IARs will monitor your portfolio to ensure that it remains consistent with your risk profile and financial situation.

Third party advisory relationships offered through AIC typically impose a minimum dollar value of assets for establishing or maintaining an account. If you engage in any of these programs, you should read a copy of the program agreement and any relevant disclosure documents for detailed information about services, fees, and account minimums.

Among its third-party investment management offerings, AIC also offers affiliated third-party investment advisory programs through AIP. In the Gemini, Mercury, and Private Clients programs, AIP provides investment management on a discretionary basis, including review of each investment prior to purchase. The Private Clients program is closed to new clients.

Solicitor Programs

AIC works with a variety of third-party investment managers on a solicitor basis, whereby IARs may recommend that clients utilize services provided by such investment managers, and receive compensation for this recommendation in the form of an ongoing referral fee (“solicitor programs”). All solicitor agreements are in compliance with Rule 206(4)-3 of the Investment Advisors Act of 1940. Clients in solicitor programs will be given full written disclosures describing the potential conflict of interest, as well as the terms and fee arrangements between AIC and the third-party investment manager prior to or at the time of referral.

Financial Planning and Consulting

AIC, through its IARs, provides financial planning and ongoing consulting services on a fee basis to help you achieve your stated financial goals and objectives. Your IAR may market his or her financial planning and consulting services under their own program name if approved by AIC. All such programs and services are offered solely through AIC. Financial plans may be created for personal or business planning and can be either comprehensive or narrowly tailored to address specific areas. Personal financial planning and consulting services may include a cash flow and net worth analysis as well as risk management and insurance planning, tax planning, investment planning, education and estate planning. Business plans may include an assessment of your business’ current and projected balance sheet, income statement and other data helpful in assessing a business’ capital and liquidity requirements; key financial ratios, tax trends, operational reserves, retirement plan options for employees; and business continuation plans such as the loss of key employees.

Your IAR will ask you to provide financial information and documentation to assist them in developing a financial plan. One or more meetings may be required to gather all information necessary to develop a plan appropriate for your needs. If requested, your IAR may also work closely with your attorney, accountant or other professionals to develop a comprehensive plan. Any consultation or coordination required will be considered when determining your fee.

You are under no obligation to engage our firm for additional services or implement any financial recommendations made by your IAR. In that case you would not receive the services provided by AIC which are designed, among other things, to assist you in determining which investments, investment strategies or programs may be most appropriate for your circumstances.

Portfolio Advisor (Closed to New Clients)

Portfolio Advisor provides on-going analysis of your current investment portfolio for a flat or asset-based fee. It may also include the preparation of performance reports, consolidated statements, periodic consultation or other services at your request. We may also provide analysis of your portfolio that is custodied with an independent third party who is unaffiliated with us. The Portfolio Advisor program is closed to new clients.

Retirement Plan Advisory Services

AIC and its IARs provide a variety of services for compensation to ERISA plan fiduciaries and plan participants. AIC and its IARs may provide investment education to ERISA plan fiduciaries and plan participants, or may act as a 3(21)-investment advice fiduciary to provide ongoing non-discretionary investment advisory services, as well as non-fiduciary consulting services to plan sponsors. IARs providing services to retirement plan sponsors must enter into either a consulting and advisory services or non-fiduciary services agreement with the plan sponsor.

The scope of investment education provided to participants at the request of the plan sponsor will not constitute “investment advice” within the meaning of ERISA. Participant education will relate to general principles of investing and information about the investment options currently in the plan. The IAR may also participate in initial enrollment meetings, and periodic workshops and enrollment meetings for new participants as agreed upon between the IAR and plan sponsor.

Retirement plan advisory services are typically offered to plan sponsors of participant directed retirement plans, including 401(k) plans that a company establishes for its employees. The IAR will generally establish the plan sponsor’s needs and objectives through an initial meeting to collect data and review plan information and assist the sponsor in developing or updating the plan’s Investment Policy Statement.

Ongoing advisory services to the plan sponsor may include recommendations regarding the selection and review of mutual funds. The IAR will periodically review the investment options selected by the plan sponsor and make recommendations to keep or replace investment options as appropriate. Plan sponsors are under no obligation to follow the recommendations of the IAR.

IARs may provide general investment-related guidance, investment education and information about investment options and rollovers to a retirement plan fiduciary and to its participants without being considered a fiduciary. An IAR can provide investment advice to a plan while also providing investment education to plan participants. AIC IARs are not authorized to have discretionary authority (i.e. act as a 3(38) Investment Management Fiduciary) over an ERISA retirement plan account.

AIC does not act as a recordkeeper for ERISA plans, however AIC’s parent company, ALIC does provide recordkeeping services for ERISA plans participating in our Retirement Plan Consulting and Advisory Services program. This creates a conflict of interest for AIC. The decision to select ALIC as record keeper is at the discretion of the ERISA Plan Sponsor and not AIC or the IAR.

Advantage Advisory Program (Closed to New Clients)

The Advantage Advisory Program (“AAP”) provides you, a fiduciary of a participant directed 401(k) plan, or an individual retirement account, with investment advisory services for an asset based fee. AIC, either with its IAR or directly through an IAR or solicitor of a third-party investment adviser who introduces you to AIC (a “Solicitor”), will provide investment advice to you regarding:

- (1) creating the line-up of investment options you offer to your plan participants from a universe of funds reviewed, monitored, and approved by AIC;
- (2) creating asset allocation models that your plan may offer to participants to educate them on how to allocate their plan contributions among your plan’s investment options; and
- (3) reviewing and recommending periodic changes to your plan’s investment options and asset allocation models.

In the course of developing an asset allocation you will be able to impose reasonable investment restrictions on the management of the account. AIC through your IAR will recommend allocating the asset weighting among various market sectors or classifications, taking into consideration factors such as time horizon, liquidity needs, regulatory issues, as well as each client/participant’s special considerations.

AIC and its IARs acknowledge that they are fiduciaries of your plan under Section 3(21) of ERISA (as well as Section 4975 of the Internal Revenue Code for IRAs) as a result of our provision of advice to plan fiduciaries as described above. Solicitors, who will convey investment advice from AIC to plan fiduciaries, but who will not provide investment advice themselves, are not plan fiduciaries under AAP.

How Services are Tailored to Fit your Needs

When you open an account with us or consult one of our IARs for a financial plan, your IAR will obtain the necessary financial data from you in the form of a Risk Assessment Questionnaire, a Client Data Sheet, and/or a New Account Form.

AIC, through your IAR, will examine your investment objectives, risk tolerance, and other factors to recommend specific investments or programs to suit your needs. If there are any changes to this information, please notify your IAR immediately. Your IAR will review this information annually or more frequently as necessary to determine whether or not your assets should be reallocated due to changes in your financial situation, the market or other conditions.

The investment advisory services provided largely depend on the personal information you provide to your IAR and AIC. In order for AIC and your IAR to provide appropriate investment advice to, or in the case of discretionary accounts, make appropriate investment decisions for you, it is important that you provide accurate and complete responses to your IAR’s questions about your financial condition, investment objectives and needs as well as any reasonable investment restrictions you wish to apply to the securities or types of securities to be bought, sold or held in your account. It is also important for you to inform your IAR of any changes to your personal or financial circumstances, investment objectives or risk tolerance as well as any reasonable investment restrictions which may affect the advice we provide.

Wrap Fee Programs

AIC offers asset management services through both wrap fee and non-wrap fee programs. A wrap fee program is defined as an advisory program in which the client pays a specified fee for portfolio management services and trade execution. AIC receives a portion of the investment advisory fee you pay when you participate in any of the wrap-fee programs we offer.

Wrap fee programs differ from other programs in that the fee structure for wrap programs is all-inclusive, whereas non-wrap fee programs assess trade execution costs that are in addition to the investment advisory fees. A wrap fee program may be more expensive when trading activity is low and less expensive when trading activity is higher (such as when an account is established or actively managed). Conversely, a non-wrap fee program may be more expensive when trading activity is high and lower when trading activity is less frequent. You should carefully consider and discuss the investment objectives for your account to determine whether a wrap or non-wrap fee program is most appropriate.

Assets Under Management

As of March 1, 2018, AIC has \$4,305,678,309 in assets under management, of which \$381,999,830 is managed on a discretionary basis, and \$3,923,678,479 is managed on a non-discretionary basis.

Item 5 – Fees and Compensation

Fees for Asset Management Services

Fees paid to your IAR for investment advisory services (“IAR Fee”) are negotiable. AIC IARs are permitted to offer advisory services and charge fees in accordance with the descriptions detailed in this document. However, the exact services you will receive and the fees you will be charged are dependent upon the complexity of your financial situation, the investment services to be provided, the experience and standard fees charged by your representative, and the nature and total dollar value of assets maintained in your account.

Advisory programs may have additional fees such as platform fees, transaction fees, fees to third-party investment advisors and clearing and custodial fees that are separate from your IAR’s fee. These fees are outlined in more detail below.

Galaxy Program

You will pay a fee based upon the value of assets under management in your account. AIC offers two types of fee schedules generally referred to as “linear fee” or “tiered fee,” with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

When choosing a linear fee arrangement, you will pay a maximum fee of 2.00% if your total account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial balance of your account and prorated based on the number of billing days in the initial quarter.

An IAR Fee will not be imposed for 2 years from the date of purchase on mutual fund Class A and B shares that were subject to a commission and sold to you by your IAR on a commission basis in his/her capacity as a registered representative of AIC. In addition, the value of any annuity, investment designated as an “alternative investment product,” or mutual fund Class C shares will be excluded from the IAR fee if you purchased it in a commission-based account through a registered representative of AIC and then transferred it to a Galaxy Program account.

However, if an annuity was purchased at Net Asset Value (“NAV”) (in other words, purchased for no commission), then that annuity will be subject to the IAR Fee. Other securities transferred into your program account, purchased at AIC, or at another broker/dealer, are subject to the investment advisory fee agreed upon in your advisory agreement.

Certain holdings may be excluded from billing as well. You should discuss fee exclusions with your IAR prior to opening an account.

In addition to the IAR fee, you will pay transaction fees for all trades within your account. Transaction fees include AIC’s cost based on its clearing firm’s fee schedule and a mark up to compensate AIC for the cost of processing the transactions and to add to AIC’s revenues. In addition to the transaction charges described above, AIC will charge a confirmation fee for all transactions except no-transaction-fee funds, mutual fund exchanges, and periodic investment/systematic withdrawal plans. If you choose to have confirmations sent to you via mail the confirmation fee is \$6.00 per trade and \$3.00 per trade if sent electronically.

Transaction fees are outlined in the brokerage account agreement you sign with AIC when you establish your advisory account and are subject to change upon 30 days’ notice to you.

Your IAR may choose to pay the transaction fees associated with your account. This decision to pay transaction fees on your behalf may be based on a variety of factors such as the level of trading in your account, the size of your account and your overall relationship with the IAR.

Galaxy Wrap Fee Program

You will pay an annualized fee based upon the value of assets under management in the program. This fee includes all fees and charges for the services of your IAR, AIC and Custodian, except for miscellaneous custodial charges (such as reorganization fees, transfer fees, etc.) and IRA and Qualified Retirement Plan Account Custodian, and/or termination fees. AIC will charge a confirmation fee for all transactions except no-transaction fee funds, mutual fund exchanges, and periodic investment/systematic withdrawal plans. If you choose to have confirmations sent to you via mail the confirmation fee is \$6.00 per trade and \$3.00 per trade if sent electronically.

AIC offers two types of fee schedules generally referred to as “linear fee” or “tiered fee,” with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

When choosing a linear fee arrangement, you will pay a maximum fee of 2.00% if your total account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay a maximum fee of 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial balance of your account and prorated based on the number of billing days in the initial quarter.

An IAR Fee will not be imposed for 2 years from the date of purchase on mutual fund Class A and B shares that were subject to a commission and sold to you by your IAR on a commission basis in his/her capacity as a registered representative of AIC. In addition, the value of any annuity, investment designated as an “alternative investment product,” or mutual fund Class C shares will be excluded from the IAR fee if you purchased it in a commission-based account through a registered representative of AIC and then transferred it to a Galaxy Wrap Program account.

However, if an annuity was purchased at Net Asset Value (“NAV”) (in other words, purchased for no commission), then that annuity will be subject to the IAR Fee. Other securities transferred into your program account, purchased at AIC, or at another broker/dealer, are subject to the investment advisory fee agreed upon in your advisory agreement.

At the discretion of your IAR, certain holdings may be excluded from billing as well. You should discuss fee exclusions with your IAR prior to opening an account.

AIC maintains policies and procedures requiring that your IAR always act in your best interest, and maintains a supervisory structure to monitor the advisory activities of your IAR in order to reduce potential conflicts of interest.

To the extent a Class A, B or C share transaction fee mutual fund pays a 12b-1 fee, such 12b-1 fees will be credited back to your account. It is recommended that you verify the accuracy of your advisory fee billings when you receive your account statements.

Galaxy II Program

You will pay a fee based upon the value of assets under management in your account. AIC offers two types of fee schedules generally referred to as “linear fee” or “tiered fee,” with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

When choosing a linear fee arrangement, you will pay a maximum fee of 2.00% if your total account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial balance of your account and prorated based on the number of billing days in the initial quarter.

An IAR Fee will not be imposed for 2 years from the date of purchase on mutual fund Class A and B shares that were subject to a commission and sold to you by your IAR on a commission basis in his/her capacity as a registered representative of AIC. In addition, the value of any annuity, investment designated as an “alternative investment product,” or mutual fund Class C shares will be excluded from the IAR fee if you purchased it in a commission-based account through a registered representative of AIC and then transferred it to a Galaxy II Program account.

Form ADV – Part 2A

However, if an annuity was purchased at Net Asset Value (“NAV”) (in other words, purchased for no commission), then that annuity will be subject to the IAR Fee. Other securities transferred into your program account, purchased at AIC, or at another broker/dealer, are subject to the investment advisory fee agreed upon in your advisory agreement.

Certain holdings may be excluded from billing as well. You should discuss fee exclusions with your IAR prior to opening an account.

In addition to the IAR fee, you will pay transaction fees to TD Ameritrade for all trades within your account. The maximum fees, commissions and limits are published on TD Ameritrade’s website, may vary by program, location or arrangements with AIC and are subject to change upon 30 days’ notice to you.

Galaxy II Wrap Program

You will pay an annualized fee based upon the value of assets under management in the program. This fee includes all fees and charges for the services of your IAR, AIC and Custodian, except for miscellaneous custodial charges (such as confirmation fees, reorganization fees, transfer fees, etc.) and IRA and Qualified Retirement Plan Account Custodian, and/or termination fees.

AIC offers two types of fee schedules generally referred to as “linear fee” or “tiered fee,” with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

When choosing a linear fee arrangement, you will pay a maximum fee of 2.00% if your total account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial balance of your account and prorated based on the number of billing days in the initial quarter.

An IAR Fee will not be imposed for 2 years from the date of purchase on mutual fund Class A and B shares that were subject to a commission and sold to you by your IAR on a commission basis in his/her capacity as a registered representative of AIC. In addition, the value of any annuity, investment designated as an “alternative investment product,” or mutual fund Class C shares will be excluded from the IAR fee if you purchased it in a commission-based account through a registered representative of AIC and then transferred it to a Galaxy II Wrap Program account.

However, if an annuity was purchased at Net Asset Value (“NAV”) (in other words, purchased for no commission), then that annuity will be subject to the IAR Fee. Other securities transferred into your program account, purchased at AIC, or at another broker/dealer, are subject to the investment advisory fee agreed upon in your advisory agreement.

Certain holdings may be excluded from billing as well. You should discuss fee exclusions with your IAR prior to opening an account.

Constellation Wrap Fee Program

You will pay an annualized fee based upon the value of assets under management in the program. This fee includes all fees and charges for the services of your IAR, AIC and Custodian, except for miscellaneous custodial charges (such as confirmation fees, reorganization fees, transfer fees, etc.) and IRA and Qualified Retirement Plan Account Custodian, and/or termination fees. AIC will charge a confirmation fee for all transactions except no-transaction fee funds, mutual fund exchanges, and periodic investment/systematic withdrawal plans. If you choose to have confirmations sent to you via mail the confirmation fee is \$6.00 per trade and \$3.00 per trade if sent electronically.

AIC offers two types of fee schedules generally referred to as “linear fee” or “tiered fee,” with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

When choosing a linear fee arrangement, you will pay a maximum fee of 2.00% if your total account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial value of your account and prorated based on the number of billing days in the quarter when your account is established.

Managed Account Solutions Program

You will pay an annualized fee (“Client Fee”) based upon the value of assets under management in the MAS Program. The fees you will pay for the MAS Program (“Client Fee”) include the following:

- **AIC IAR Fee:** The amount of the Client Fee payable by AIC to the IAR for investment advice to program clients. This amount ranges from 0% to 1.65%, and may depend on several factors, including account size, program selection, sub-manager or third-party provider selection.
- **AIC’s Fee:** The amount of the Client Fee retained by AIC for its services related to ongoing supervision, operation and oversight of the program. This amount ranges from 0.01% to 0.05%, and depends on several factors, including account size, program selection, and the selected sub-manager or third-party provider.
- **Program Fee:** The amount paid from the Client Fee by AIC to Envestnet for performance reporting and fee processing, and execution of transactions to buy or sell securities.
- **Manager’s Fee:** The amount paid from the Client Fee by AIC to Envestnet for payment to sub-managers and third-party providers.

The Client Fee does not include any miscellaneous fees or charges by NFS for services not included under the Program. If you choose to engage in this program, you should read a copy of AIC’s MAS Program Brochure and Envestnet’s Program Brochure. Both documents contain more detailed information on fees and services.

Fees are payable quarterly in advance and are calculated based on the account value as of the last business day of the previous quarter. The initial quarterly fee will be based on the initial value of your account and prorated based on the number of billing days in the quarter when your account is established. If you invest or withdraw more than \$10,000 in any MAS Program account after the beginning of the calendar quarter, the Client Fee will be recalculated and pro-rated as of the day of the additional investment.

Third-Party Advisory Programs

Third-party advisory relationships offered through AIC may impose a minimum dollar value of assets for starting or maintaining an account. AIC’s investment advisory fee is charged as a percentage of assets in your account with a minimum IAR fee of 0.50% and a maximum IAR fee as outlined below. The availability of tiered or linear fee pricing will depend on the investment management firm selected.

Fee Schedule	
Assets Under Management	Maximum Fee
Up to \$250,000	2.00%
\$250,000 – \$500,000	1.75%
\$500,000 – \$1,000,000	1.50%
\$1,000,000 – \$3,000,000	1.25%
\$3,000,000 +	1.00%

In a linear fee arrangement, you will pay a maximum fee of 2.00% if your account value is \$250,000 or below, 1.75% if your account value is \$500,000 or below, and so on. In a tiered fee arrangement, you will pay a maximum fee of 2.00% on the first \$250,000 in assets, 1.75% on the next \$250,000, and so on.

In addition to the fee charged by AIC for advisory services, you will be charged a management fee pursuant to your agreement with the third-party investment manager. If you engage in any of these programs, you should read a copy of the program agreement and any relevant disclosure documents for detailed information about services, fees, and account minimums.

Solicitor Programs

AIC works with a variety of third-party investment managers on a solicitor basis, whereby IARs may recommend that clients utilize services provided by such investment managers, and receive compensation for this recommendation and ongoing client relationship management services in the form of an ongoing referral fee. All solicitor agreements are in compliance with the Investment Advisers Act Rule 206(4)-3. Clients in solicitor programs will be given full written disclosures describing the potential conflict of interest, as well as the terms and fee arrangements between AIC and the third-party investment manager prior to or at the time of referral.

Financial Planning and Consulting

Financial planning and consulting services are charged an hourly fee or a flat rate, and either on a one-time or ongoing basis, depending on your choice and individualized needs. Customized business and financial planning services may also be available on a negotiated basis or in accordance with a fixed fee schedule depending on the service involved from individual IARs.

One-time financial planning fees are typically collected as follows: 50% of the agreed upon fee is payable in advance of services, with the remaining 50% due upon delivery of the plan. In certain situations, your IAR may allow you to pay 100% of the agreed upon fee upon delivery of the plan. You also may elect to pay up to 100% of the fee prior to delivery of plan. If the financial planning agreement is terminated within five (5) business days from the date of inception, all fees paid in advance will be refunded. If the agreement is terminated at any other time, any prepaid and unearned fees will be returned to you.

Payment for ongoing financial planning and consulting services will be collected as follows: You can agree to receive an invoice and pay via check or credit card, or you can agree to identify an account from which to debit the fees. Fees may be payable monthly, quarterly, or semi-annually as agreed to with your IAR.

Portfolio Advisor (Closed to New Clients)

Portfolio Advisor provides on-going analysis of your current investment portfolio for a flat or asset-based fee. It may also include the preparation of performance reports, consolidated statements, periodic consultation or other services at your request. We may also provide analysis of your portfolio that is held with an independent third party. The Portfolio Advisor program is closed to new clients.

Please note that you agree to monitor the asset value in the account. If the asset value drops such that the flat fee charged increases to a percentage that is unacceptable to you, you must contact your IAR to discuss options. Neither your IAR nor AIC will be responsible for monitoring for a decrease in value and corresponding increase in percentage of fee if the flat fee option is elected by you. Separate transaction charges will be assessed for general securities trades, as well as for the purchase or redemption of certain mutual fund shares, as set forth in the Custodial Agreement referred to in the Portfolio Advisor Agreement. Portfolio Advisor does not have a minimum account size. You may choose to pay a flat fee provided the fee falls within the below stated ranges based upon the value of the account.

Assets Value	Maximum Fee Schedule
First \$250,000	2.00%
Next \$250,000	1.75%
Next \$500,000	1.50%
Next \$1,500,000	1.25%
Next \$2,500,000	1.00%
Above \$5,000,000	Negotiable

Retirement Plan Advisory Services

When AIC IARs provide advisory services to ERISA plans, fees will be charged based upon guidelines provided by AIC. The type of plan, number of plan participants, and plan asset size are all factors considered when determining fees. Fees are negotiable under certain circumstances. Any compensation exceeding the fee guidelines must be approved by AIC Management and will be based upon industry standards as well as the services provided. If AIC Management believes such compensation to be reasonable an exception may be made, however the IAR fee may not exceed 2%.

Assets Value	Fee Guideline
Under \$3,000,000	1.25%
\$3,000,000 – \$10,000,000	0.75%
\$10,000,000 – \$50,000,000	0.25%

AIC and our IARs who act as a fiduciary by providing investment advice for ERISA plans are generally prohibited from receiving both an advisory fee and any transaction based compensation, unless in compliance with applicable prohibited transaction exemptions under ERISA or the IRC or authorized by the U.S. Department of Labor.

Advantage Advisory Program (AAP) (Closed to New Clients)

The type of plan, number of plan participants, and plan asset size are all factors considered when determining fees. Fees are negotiable under certain circumstances. The maximum annual advisory fee for AAP is shown in the table below:

Assets Value	Annual Maximum Fee
First \$500,000	1.75%
Next \$500,000	1.50%
Next \$1,000,000	1.25%
Above \$2,000,000	1.00%

There are no sales charges incurred or any brokerage commissions associated with the investment company securities transactions in AAP.

In addition to the advisory fee, if ALIC acts as recordkeeper of the plan, a recordkeeping fee will be deducted from your Account. Revenue from those funds that have revenue sharing arrangements with ALIC will be invested in a money market fund until they will be used to offset plan expenses or reallocated to all participants in the plan on a prorated basis, at the discretion of the plan trustee.

If you engage in this program, you should read a copy of the AAP disclosure brochure for further details on services and fees.

Fee Payment Methods and Frequency

Fees for AIC’s advisory services may vary from client to client based on the type and level of service provided and under certain circumstances may be waived. The minimum account size requirements may be waived for certain accounts. Fees for general financial planning services and specific advisory services are based on an hourly fee or by specific project. If you engage in any third party advisory relationships offered through AIC, you should read a copy of the program agreement and any relevant disclosure documents for detailed information about Fees.

Fees for advisory programs sponsored by AIC are billed quarterly in advance unless stated otherwise and are agreed to in your Investment Advisory Agreement. For the first billing period, payment of fees is based upon a pro-rated calculation. Fees are generally deducted from the client's account, but may be paid by separate check. Fees for comparable services may be higher or lower if you obtain them from other sources. The fees charged will be incorporated into a written Investment Advisory Agreement signed by the client.

One-time financial planning and wealth management fees are typically collected as follows: 50% of the agreed upon fee is payable in advance of services, with the remaining 50% due upon delivery of the plan. In certain situations, your IAR may allow you to pay 100% of the agreed upon fee upon delivery of the plan. You also may elect to pay up to 100% of the fee prior to delivery of plan.

Other Fees

You may be subject to fees charged by the mutual funds (i.e. 12b-1 fees) included in your portfolio as set forth in the prospectus for each security. If AIC, when acting as a broker-dealer, receives 12b-1 fees from the mutual funds purchased in your account, these 12b-1 fees will be credited to your account. If you elect to purchase mutual funds through third party broker-dealers or custodial platforms, such as TD Ameritrade, these 12b-1 fees may be retained by the third-party broker-dealer or custodial platform.

Additionally, if you invest in certain products such as mutual funds and variable insurance contracts, you will pay two levels of management fees, the direct management fee to us and an indirect management fee as a product expense through the investment product. You would not incur our direct management fee by investing directly in mutual funds or variable insurance products. In that case, you would not receive the services provided by AIC which are designed, among other things, to assist you in determining which investments, investment strategies or programs may be most appropriate for your circumstances.

Variable annuities and variable universal life insurance ("VUL") policies purchased under the Galaxy, Galaxy Wrap, Galaxy II or Galaxy II Wrap Programs are no-load, though there are separate fees and expenses associated with such annuities, plus underlying investment option expenses. Some charges are assessed against the variable annuity or VUL (such as maintenance and transfer fees and tax charges) and some may be assessed on the sub-account investment options (mortality and expense risk charges and administrative charges). You should always read the variable annuity or VUL prospectus carefully before sending money to us or the insurer.

AIC charges administrative fees that pay for fee calculation, fee deduction, invoicing, performance reporting, rebalancing of accounts, portfolio management services, due diligence and supervision. These administrative fees reduce the amount your IAR receives on either an asset based charge or subscription based charge as determined by AIC and your IAR.

Depending upon the program selected, you may pay brokerage or other transaction costs associated with the management of your account. Please refer to Section 12-Brokerage Practices for more information.

Advance Payment of Fees and Fee Refunds

You may terminate an Investment Advisory Agreement without penalty within (5) business days after entering into the Agreement. Fees for advisory services generally are charged up front. If you terminate your agreement, any unearned advisory fees will be returned to you. If you engage in any third party advisory relationships offered through AIC, you should read a copy of the program agreement and any relevant disclosure documents for detailed information about fees.

If a financial planning and wealth management agreement is terminated within five (5) business days from the date of inception, all fees paid in advance will be refunded. If the agreement is terminated at any other time, any prepaid and unearned fees will be returned to you.

Compensation for the Sale of Securities or Other Investment Products

Your IAR may recommend that you roll over your 401(k) or other qualified plan assets to an IRA with AIC. This rollover recommendation presents a conflict of interest in that AIC and your IAR would receive compensation when investment advice is provided following your decision to roll over your plan assets. Your IAR will discuss your retirement plan options including retention of your 401(k) or qualified plan assets with your current plan, if allowed. You should carefully review the information regarding your rollover options prior to making a decision.

Your IAR may recommend the purchase of variable insurance contracts on a fee basis or on a commission basis, when acting in their separate capacities as registered representatives of AIC, which are issued by Ameritas Life Insurance Corp. ("ALIC") and for which AIC is the distributor and lead underwriter. As a result of these arrangements, AIC may act in multiple capacities with respect to the services it provides which results in conflicts of interest. For example, an IAR may recommend the purchase of variable insurance products issued by ALIC, or financial services available through affiliates of AIC. If you choose to implement these recommendations, the investments would be purchased through AIC and in turn AIC, an affiliate of AIC, and an AIC Registered Representative or Investment Adviser Representative would receive compensation and/or commissions as a result of the sale of the insurance or other financial products recommended.

If you purchase an ALIC variable annuity or life insurance policy your IAR may recommend that you select Calvert Variable Products, Inc. Funds ("Calvert VP Funds") or Calvert Variable Series, Inc. Funds ("Calvert Funds") as investment options within the contract or policy. Ameritas Investment Partners ("AIP") is an affiliate of AIC and the sub-adviser for certain Calvert VP Funds and Calvert Funds receives a fee for these services. Due to the conflict of interest resulting from additional fees that may be generated by AIP in no-load annuity contracts issued by ALIC, AIC will credit the advisory fee earned by AIP on Calvert VP Funds or Calvert Funds that are selected by the client as investment options.

AIC acts as the principal underwriter for variable annuities and variable insurance policies issued by ALIC. In its role as lead underwriter, AIC receives a distributor fee for these services if the variable annuity or variable insurance policy is sold on a commission basis. Due to the conflict of interest resulting from receipt of distribution fees paid from premium loads, if you invest in a fee based variable annuity or variable insurance policy, ALIC pays AIC for serving as underwriter from its assets or surpluses in its general account rather than through a premium load. Additional information regarding distribution of ALIC products may be found in the product prospectus available from ALIC or your IAR.

Each investment company in which your funds are invested may charge fees for investment advisory services and for other expenses. These expenses are in addition to the fees charged by AIC. A client could invest in a mutual fund directly or through other broker dealers not affiliated with AIC. In that case, the client would not receive the services provided by AIC which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by AIC to fully understand the total amount of fees to be paid by the client and thereby evaluate the advisory services being provided. Complete information regarding mutual fund charges and expenses is disclosed in the investment company prospectus.

IARs who provide financial planning services may also receive commissions from AIC or its affiliates in their separate capacity as registered representatives of AIC in connection with the sale of recommended financial products. Receiving such commissions creates a conflict of interest for the IAR and AIC. Accordingly, AIC monitors and supervises these activities to ensure recommendations of financial products are suitable based upon your financial needs, investment objectives and risk tolerance.

You have the unrestricted right to select and choose any broker or dealer and/or insurance company you wish. Advice offered to our advisory clients is generally provided in the form of recommendations that you may or may not choose to implement. In certain programs, you may grant discretionary authority to your IAR, AIC or a third-party money manager. In these instances, your ability to choose whether recommendations are implemented may be limited.

As further described in Item 12-Brokerage Practices, AIC adds a markup to transaction costs and other brokerage account charges and fees that are assessed to client accounts participating in the programs it sponsors. AIC does not reduce its advisory fees to offset these costs. This creates a conflict of interest for AIC in that it is more profitable to AIC if clients and IARs utilize AIC for execution of securities brokerage transactions.

We also retain net profits that result from the correction of trade errors in program accounts. All losses incurred by clients, due to error, will be removed from either the IAR's compensation or AIC's revenues, depending on the cause of error.

An IAR Fee will not be imposed for 2 years from the date of purchase on mutual fund Class A and B shares that were subject to a commission and sold to you by your IAR on a commission basis in his/her capacity as a registered representative of AIC. In addition, the value of any annuity, investment designated as an "alternative investment product," or mutual fund Class C shares will be excluded from the IAR fee if you purchased it in a commission-based account and then transferred it to a Galaxy or Galaxy Wrap Program account.

Other securities transferred into your program account, purchased at AIC, or at another broker/dealer, are subject to the investment advisory fee agreed upon in your advisory agreement.

AIC maintains policies and procedures requiring that your IAR always act in your best interest, and maintains a supervisory structure to monitor the advisory activities of your IAR to reduce potential conflicts of interest.

To the extent a Class A, B or C share transaction fee mutual fund pays a 12b-1 fee, such 12b-1 fees will be credited back to your account. It is recommended that you verify the accuracy of your advisory fee billings when you receive your account statements.

Item 6 – Performance Based Fees and Side-By-Side Management

AIC does not generally charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). On a very limited basis, AIC may receive performance-based fees for its investment advisory services, but these services are limited to specific clients and are negotiable. The performance-based fee is based on the excess return of the net assets under management against a baseline return. The baseline is fixed but may be modified by AIC due to changes in average market conditions over time; however, clients will receive written notice of any change prior to any modification and may opt out of the program by terminating their agreement.

Performance-based fees create certain inherent conflicts of interest. Specifically, performance-based fees create an incentive for the IAR to take risks in managing assets that they may not otherwise take in the absence of such arrangements. To minimize this conflict of interest, the performance-based fee includes a base-advisory fee calculated on assets under management, so that the IAR's incentive to grow capital is appropriately balanced with an incentive to preserve capital. Since performance-based fees reward the IAR for strong performance in accounts which are subject to such fees, the IAR may have an incentive to favor clients who pay performance based fees over clients that pay fees based solely on the amount of assets under management in their account. AIC actively monitors accounts managed by IARs with performance based fee arrangements to ensure that discretionary trades in individual securities executed by the IAR are aggregated and allocated to client accounts based upon the average price of the securities purchased or sold.

Item 7 – Types of Clients

Clients may be individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or other business entities.

Minimum Investment Amounts Required

Minimum investment amounts required for AIC's asset management services are dependent upon the program selected, range of services provided, and investments offered in the specific program. The following is a chart of account minimums in the various managed account sponsored programs by AIC.

Program Name	Account Minimum
Galaxy	\$50,000
Galaxy Wrap	\$250,000
Galaxy II	\$25,000
Galaxy II Wrap	\$25,000
Constellation	\$25,000
Managed Account Solutions	Varies
Retirement Plan Advisory Services	No minimum
Advantage Advisory Program	No minimum

Third-party advisory programs each have their own account minimums which are further outlined in the respective advisory program manager's brochure.

AIC does not have a minimum account size for its financial planning and consulting services.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Method of Analysis and Investment Strategies

Each IAR has the independence to take the approach that he or she believes is most appropriate when analyzing investment products and strategies for clients. The IAR chooses his or her own research methods, investment style and management philosophy. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable.

When developing recommendations for you, IARs compare your financial goals with your investment risk tolerance and the risk and potential return of a specific investment. IARs have wide latitude in designing investment strategies.

Investing in securities involves risks that investors should be sure they understand and should be prepared to bear. No investment strategy will guarantee a profit or prevent losses. As a firm, AIC does not favor any specific method of analysis over another, and therefore would not be considered to have one approach deemed to be a "significant strategy." There are, however, a few common approaches that may be used by AIC or your IAR in the course of providing advice to clients as described below:

- **Asset Allocation:** An investment strategy that aims to balance risk and reward by allocating assets among a variety of asset classes. At a high level, there are three main asset classes—equities (stocks), fixed income (bonds), and cash or cash equivalents—each of which have different risk and rewards. Asset classes are further divided into domestic and foreign investments with equities divided into small, mid and large capitalization. Bonds have varying durations and credit quality. By diversifying a portfolio amongst a wide range of asset classes, investors seek to reduce (but not eliminate) the overall risk of a portfolio through avoiding overexposure to any one asset class during various market cycles.
- **Fundamental Analysis:** A method of evaluating a security that involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure what is deemed to be the true value of the company's stock compared to the current market value. The end goal of performing fundamental analysis is to produce a value that an investor can compare to the security's current price and whether the security is over or under priced.
- **Technical Analysis:** A method of evaluating securities by studying past price patterns and trends in the financial markets in an attempt to predict the direction of the overall market, specific stocks or both. Technical analysts do not attempt to measure a security's intrinsic value. Instead they use charges and other tools to identify patterns that suggest future activity. When looking at individual equities, a person using technical analysis generally believes that performance of the stock, rather than performance of the company itself, has more to do with a company's future stock price.
- **Cyclical Analysis:** A type of technical analysis that involves evaluating recurring price patterns and trends with the goal buying or selling securities based upon expected price movements or "market timing." The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Risk Factors

As mentioned above, regardless of the strategy or analysis used, all investments carry the risk of loss including the loss of principal invested. Some risks may be avoided or mitigated, while others are completely unavoidable. Some of the common risks you should consider prior to investing include, but are not limited to:

Interest Rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Inflation Risk: If any type of inflation is present, a dollar today will not buy as much as a dollar at the same subsequent time, because purchasing power is eroded at the rate of inflation. Inflation tends to erode returns on investments, as well.

Portfolio Turnover Risk: Active and frequent trading of securities and financial instruments in a portfolio can result in increased transaction costs, including potentially substantial brokerage commissions, fees, and other transaction costs. In addition, frequent trading is likely to result in short-term capital gains tax treatment. As a result of portfolio turnover, the performance of a portfolio can be adversely impacted.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (e.g. interest rate). This primarily relates to fixed income securities.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it (a lengthy process) before they can generate a profit. They have a greater uncertainty of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Financial Risk: Excessive borrowing to finance a business's operations increases the uncertainty of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Liquidity Risk: When consistent with a client's investment objectives, guidelines, restrictions and risk tolerances, we may invest portions of Client portfolios in illiquid securities, subject to applicable investment standards. Investing in an illiquid (difficult to trade) security may restrict our ability to dispose of such investments in a timely fashion or at an advantageous price, which may limit the ability to take full advantage of market opportunities, and result in delays in liquidity risk.

Fixed Income Risks: Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, and market risk, which could reduce the yield that an investor receives from his or her portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets.

High Yield Fixed Income Securities Risk: Investments in high-yielding, non-investment grade bonds (often referred to as "Junk Bonds") involve higher risk than investment grade bonds. Adverse conditions may affect the issuer's ability to make timely interest and principal payments on these securities.

Foreign, Emerging Markets Risk: Investments in these types of securities have considerable risks. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the U.S. markets.

Structured Products Risk: These products are often complex and involve a significant amount of risk, and should only be offered to Clients who have carefully read and considered the product's offering documents, as they are often times based on derivatives. Structured products are intended to be "buy and hold" investments and are not liquid instruments.

Derivatives (Options) Risk: Options involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss, including the loss of principal.

Small/Mid Cap Risk: Stocks of small or mid-sized companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market

Non-Diversification Risk: Investments that are concentrated in one or few industries or sectors may involve more risk than more diversified investments, including the potential for greater volatility.

American Depositary Receipts (ADRs): Positions in those securities are not necessarily denominated in the same currency as the common stocks into which they may be converted. ADRs are receipts typically issued by an American bank or trust company evidencing ownership of the underlying securities. Generally, ADRs, in registered form, are designed for the U.S. securities markets. An account may invest in sponsored or unsponsored ADRs. In the case of an unsponsored ADR, a Fund is likely to bear its proportionate share of the expenses of the depository and it may have greater difficulty in receiving shareholder communications than it would have with a sponsored ADR.

The above list of risk factors does not purport to be a complete list or explanation of the risks involved in an investment strategy. You are encouraged to consult your financial advisor, legal counsel and tax professional on an initial and continuous basis in connection with selecting and engaging in the services provided by us. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above. Your investments are not bank deposits, are not insured or guaranteed by any governmental agency, entity, or person, unless otherwise noted and, as such, may lose value.

Item 9 – Disciplinary Information

This item provides information related to legal or disciplinary events that may be material to your evaluation of AIC or the integrity of AIC's management. Materiality is subject to AIC's discretion, and/or as defined by the SEC for purposes of this disclosure document. AIC is a federally registered investment adviser and broker dealer. All of the events disclosed below derive from its operations as a broker dealer or through our affiliate Ameritas Life Insurance Corp.

1. On October 6, 2017, Ameritas Investment Corp., without admitting or denying the findings, executed an Acceptance, Waiver and Consent (AWC) which FINRA accepted on November 8, 2017. The AWC recited that FINRA found that AIC failed to establish, maintain and enforce policies or provide sufficient guidance to registered representatives and principals on the sale of multi-share class VA's, particularly the combination of L-share contracts with long-term income riders. Further, FINRA alleged that AIC failed to reasonably supervise equity securities commissions charged by representatives that were at a four percent rate to determine whether such commissions were reasonable and fair given considerations outlined in Rule 2121. Without admitting or denying the FINRA allegations, AIC agreed to a censure and to pay a fine to FINRA of \$180,000.
2. In January 2017, the Financial Industry Regulatory Authority censured and fined AIC \$145,000 for allegedly failing to supervise recommendations to liquidate a security in order to purchase equity indexed annuities, and to record the resulting transactions over a period of more than two years. The findings stated that AIC, without adequate supervision, mistakenly treated those recommendations and transactions as outside business activities. In mid-2016, AIC resumed supervising and recording the sales of equity indexed annuities.
3. In October 2016, the Financial Industry Regulatory Authority censured and fined AIC \$50,000 for allegedly failing to maintain a sufficient supervisory system to monitor requests from representatives to change customer addresses of record and to disburse funds to a customer's new address. In November 2008, one of AIC's representatives asked the firm to change a customer's address of record to the representative's business address. Simultaneously, the representative asked that the firm disburse funds from the client's account to the new address of record. In accordance with securities laws and regulations, AIC notified the client of the address change by mailing a letter to the client's old address of record. The representative misappropriated the client's funds through disbursements. The client did not authorize either the address change or the disbursement of funds. AIC detected the improper activity in June 2014, at which time AIC immediately terminated the representative, reimbursed the customer's losses in full, and modified policies governing customer address changes, prior to entering into a settlement with FINRA.
4. In October 2015, the Financial Industry Regulatory Authority censured and fined AIC \$150,000 for allegedly failing to apply sales charge discounts to certain customers' eligible purchases of Unit Investment Trusts ("UITs") in violation of FINRA Rule 2010, and for allegedly failing to establish, maintain, and enforce a supervisory system and written supervisory procedures designed to ensure customers received sales charge discounts on eligible UIT purchases in violation of NASD Conduct Rule 3010 and FINRA Rule 2010. Prior to entering into a settlement with FINRA, AIC voluntarily paid restitution to all affected clients in the aggregate amount of \$128,544.
5. In September 2015, the Securities and Exchange Commission announced that AIC agreed to a settlement of allegations pursuant to the Commission's Municipal Continuing Disclosure Cooperation ("MCDC") Initiative that, in connection with AIC's underwriting of certain municipal securities offerings, it willfully violated Section 17(a)(2) of the Securities Act of 1933. AIC agreed and consented to: (A) cease and desist from committing or causing any violations of Section 17(a)(2) of the Securities Act, (B) pay a civil money penalty in the amount of \$200,000, and (C) comply with certain undertakings. The MCDC was a voluntary initiative in which the SEC encouraged municipal issuers and underwriters to self-report violations involving materially inaccurate statements relating to prior compliance with the continuing disclosure obligations specified in Rule 15c2-12 of the Securities Exchange Act of 1934.
6. In March 2015, the State of New Jersey found an Ameritas Life agent to have sold, solicited, and/or negotiated Ameritas insurance products in an unfair, deceptive, misleading, and/or fraudulent manner, and that Ameritas Life Insurance Corp. assisted and/or facilitated those acts. As a result of the finding, Ameritas Life Insurance Corp. has stated that they shall offer penalty-free rescissions and full refunds of all payments and premium including any withdrawal charges and other payments or fees paid on all policies and contracts identified in the order.
7. In April 2014, the State of Iowa Insurance Division fined AIC \$10,000 for allegedly selling unsuitable non-exchange traded limited partnership investments, and failure to reasonably supervise the activities of the registered representative selling that product.
8. In December 2010, the State of South Dakota, Department of Revenue and Regulation, Division of Securities fined AIC \$10,000 for allegedly employing home office suitability principals at certain times between May 2007 - November 2008 who were not registered in South Dakota.
9. In March 2010, the State of South Dakota, Department of Revenue and Regulation fined AIC \$5,000 for failure to deliver securities in the form of a variable life insurance policy to a client on a timely basis and failure to supervise the representatives responsible for the delivery of said policy.
10. In March 2009, the Financial Industry Regulatory Authority censured and fined AIC \$100,000 for allegedly using communications with the public, through a registered representative, in the form of written financial plans that failed to provide a sound basis for evaluating the products being recommended, contained misleading statements and omitted material information, including risks. AIC allegedly failed to take sufficient action to ensure the registered representative was not using the plans until the plans were approved by a registered principal at the firm prior to use with customers, and failed to file the communications with FINRA. In addition, AIC allegedly failed reasonably to supervise the activities of the registered representative. The registered representative allegedly provided financial plans to the public that contained misleading statements and omitted material information including risks. The representative also allegedly sold products to customers that were unsuitable based on their financial situation and needs, and without AIC's knowledge recommended that customers use mortgage proceeds to fund securities transactions.

Item 10 – Other Financial Industry Activities and Affiliations

AIC is part of the Ameritas Mutual Holding Company family of companies. The Ameritas Holding Company (AHC) has direct 100% ownership of both AIP and the Ameritas Life Insurance Corp. (“ALIC”); ALIC has direct 100% ownership of Ameritas Life Insurance Corp. of New York (Ameritas Life of NY) and AIC. A significant percentage of time of AIC’s executive personnel is spent on activities other than fee-based investment supervisory asset management services.

AIC is both a registered broker/dealer and an investment adviser with the Securities Exchange Commission. AIC is also a licensed insurance agency with various states. Many of AIC’s management persons are registered representatives of AIC. Most IARs are also registered representatives of AIC, may be individually licensed as insurance agents or serve as representatives of ALIC or their affiliates in the sale of traditional and variable insurance products. AIC offers a variety of approved products and services to our IARs to serve your needs.

Certain product sponsors may pay extra compensation to AIC, referred to as revenue sharing arrangements, in return for increased exposure to our registered representatives through conferences and educational opportunities. These revenue sharing arrangements may incent AIC to give preferential treatment to these sponsors which could influence sales of these products. IARs do not receive a direct financial benefit from revenue sharing, as such we do not believe AIC’s relationships with these product sponsors compromise the advice our IARs may provide to clients. Additional information regarding revenue sharing arrangements can be found at www.ameritas.com or by contacting AIC at 800-335-9858.

AIC is a municipal securities dealer, municipal securities adviser and underwriter for municipal securities offerings primarily in the state of Nebraska. AIC’s receipt of fees and commissions in connection with these activities is a potential conflict of interest as AIC has the opportunity to receive fees and commissions in advisory accounts for these activities. In order to control for this conflict, AIC does not permit the purchase of municipal securities underwritten by AIC in advisory accounts.

AIC is the distributor and lead underwriter for variable insurance products issued by ALIC. As a result of these arrangements, AIC may act in multiple capacities with respect to the services it provides which results in conflicts of interest. An IAR may recommend the purchase of variable insurance products issued by ALIC, or financial services available through affiliates of AIC. If you choose to implement these recommendations, AIC, an AIC Registered Representative or IAR would receive compensation and/or commissions from ALIC as a result of the sale of the insurance and other financial products or services recommended.

If you purchase an ALIC variable annuity or life insurance policy your IAR may recommend that you select Calvert Variable Products, Inc. Funds (“Calvert VP Funds”) or Calvert Variable Series, Inc. Funds (“Calvert Funds”) as investment options within the contract or policy. Ameritas Investment Partners (“AIP”) is an affiliate of AIC as the sub-adviser for certain Calvert VP Funds and Calvert Funds receives a fee for these services. Due to the conflict of interest resulting from additional fees that may be generated by AIP in no-load annuity contracts issued by ALIC, AIC will credit the advisory fee earned by AIP on Calvert VP Funds or Calvert Funds that are selected by the client as investment options. AIC acts as the principal underwriter for variable annuities and variable insurance policies issued by ALIC. In its role as lead underwriter, AIC receives a distributor fee for these services if the variable annuity or variable insurance policy is sold on a commission basis. Due to the conflict of interest resulting from receipt of distribution fees paid from premium loads, if you invest in a fee based variable annuity or variable insurance policy, ALIC pays AIC for serving as underwriter from its assets or surpluses in its general account rather than through a premium load. Additional information regarding distribution of ALIC products may be found in the product prospectus available from ALIC or your IAR.

ALIC honors the right to examine statutes with regard to the termination of variable insurance products purchased in an advisory account. There is a 10 day right to examine the contract. If the owner is dissatisfied with the contract for any reason, it may be returned to ALIC within 10 days from the date it is delivered. You will receive a full refund of your policy value. However, where required by certain states, or if your contract was issued to an individual retirement account, you will receive either the premium paid or your contract value, whichever amount is greater.

ALIC offers a variety of insurance products and benefits to retail customers and businesses. AIC representatives, in their capacity as insurance agents appointed with ALIC may recommend these insurance products to you. The compensation received by ALIC and its agents is a potential conflict of interest.

In addition to IARs of AIC, ALIC has multiple channels of distribution for the insurance products it issues. If our associates are acting as independent insurance agents, they are not precluded from offering insurance products from unaffiliated insurance companies.

We do not normally act as a dealer in connection with securities that we recommend to our clients other than in the context of underwritings, as described above.

Your IARs Relationship with AIC

Your IAR receives compensation from AIC which includes a portion of the advisory fee. The portion of the advisory fee received by your IAR may be more than what he or she would receive at another investment advisor firm. This compensation includes bonuses, awards or other things of value offered by AIC to the IAR. AIC pays its IARs in different ways, for example:

- payments based on production,
- reimbursement or credits of fees that IARs pay to AIC for items such as administrative services, or technology,
- payments in connection with the transition of association from another broker-dealer or investment advisor firm to AIC,
- payments in the form of repayable or forgivable loans
- advances of advisory fees, and
- attendance at AIC conferences and events.

AIC also charges IARs various fees under its independent contractor agreement, for example, for administrative, custody and clearing services to accounts, technology and licensing. These fees and compensation may be based on the IAR's overall business production and/or on the amount of assets serviced in AIC advisory relationships. When compensation or fees charged is based on the level of production or advisory assets of an IAR, the IAR has a financial incentive to meet those production or asset levels. The amount of this compensation from AIC could be more, and the amount of these fees charged by AIC could be less, than what the IAR would receive, or pay, if he or she associated with another investment advisor firm.

AIC may also provide various benefits and/or payments to IARs that are newly associated with AIC to assist the IAR with the costs (including foregone revenues during account transition) associated with transitioning his or her business to AIC (collectively referred to as "Transition Assistance"). The amount of the Transition Assistance payments are often significant in relation to the overall revenue earned or compensation received by the IAR at his or her prior firm. The receipt of Transition Assistance creates a conflict of interest in that an IAR has a financial incentive to recommend that a client open and maintain an account with the IAR and AIC for advisory and or brokerage services in order to receive the Transition Assistance benefit or payment. AIC and its IARs attempt to mitigate these conflicts of interest by evaluating and recommending that clients use AIC's services based on the benefits that such services provide to clients, rather than the Transition Assistance earned by any particular IAR. However, clients should be aware of this conflict and take it into consideration when making a decision whether to establish or maintain a relationship with AIC.

Ameritas Investment Partners

AIP, an SEC registered investment adviser, manages portfolios for various institutional clients, is a commodity pool operator, sponsors wrap fee programs offered by AIC, and provides advisory services to AIC in connection with the Constellation program.

AIC and AIP may be subject to competing interests that have the potential to influence their decision making with regard to programs and services AIP offers to AIC and our clients which may cause them to favor other clients or business activities than AIC's clients or the services it offers to AIC. As an investment adviser, AIP has a fiduciary duty to act in the best interest of its clients, maintains a code of ethics and compliance program to ensure compliance with its duties under the Investment Advisors Act.

We provide brokerage services and AIP provides investment advisory services to those AIC clients who invest in programs offered by AIP. AIP shares the fees generated through these programs with us and uses AIC as the introducing broker dealer for execution of securities transactions. AIC may have an incentive and conflict of interest in recommending the programs of AIP over other investment advisers due to the revenue it receives as a broker dealer for execution of securities transactions, fees received for assets placed in these programs, and common ownership by our parent company. AIC does not require IARs to utilize the services of AIP and makes multiple advisory programs available such that the IAR may select the program that is most suitable for an individual client.

AIC does not have a related person that is an investment company or other pooled investment vehicle, futures commission, banking or thrift institution, accountant or accounting firm, lawyer or law firm, real estate broker or dealer or sponsor or syndicator of limited partnerships.

Third Party Investment Advisers

AIC maintains relationships with third-party investment advisers that AIC or your IAR may recommend. AIC has entered into marketing support agreements with certain third-party investment advisers through our Elite Partners Program which provide these firms with access to our IARs in order to promote their services including preferred status in business planning sessions and participation in our national conferences. In exchange, AIC receives compensation from these third-party investment advisers to support AIC's technology, training, marketing, staffing and ongoing education of our IARs. This compensation is based upon assets under management and new monies placed under management of the third-party investment advisor. This additional compensation is a conflict of interest for AIC.

Financial Institutions

AIC and its IARs offer advisory services on the premises of unaffiliated businesses, including insurance companies and financial institutions, such as banks or credit unions. In some cases, the IAR pays such business entity a fee for the use of the premises and facilities and for administrative support. In the case of financial institutions, AIC has entered into agreements with financial institutions pursuant to which AIC shares compensation, including a portion of the advisory fee, with the financial institution for the use of the financial institution's facilities. pursuant to the agreement between AIC and the financial institution. The IAR may or may not be an employee of the financial institution.

Other Affiliations

From time to time, AIC or its supervised persons donate to charitable organizations that are affiliated with clients, are supported by clients, and/or are supported by an individual employed by one of our clients. In general, such donations are made in response to requests from clients, or their personnel. Because such contributions may result in the recommendation of AIC or its services, such contributions may raise a potential conflict of interest. As a result, AIC maintains procedures that generally limit the dollar amount and frequency of charitable contributions and requires that all contributions are made directly to the charitable organization (normally a 501(c)(3) organization). No contribution will be made if the contribution implies that continued or future business with AIC, or its supervised persons, depends on making such contribution.

AIC discloses all material conflicts of interest so that existing and prospective clients may evaluate their impact on any relationship. The conflicts identified are addressed by AIC through the development, implementation, and monitoring of our compliance program. AIC has supervisory procedures in place to monitor the suitability of client transactions, adherence to client investment objectives, transactions with affiliates, monitoring third-party programs and the trading practices of our IARs.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics Summary

AIC has adopted a Code of Ethics to address its fiduciary relationship and its investment advisory supervised persons' fiduciary relationships with their clients; specify or prohibit certain types of transactions deemed to create conflicts of interest (or the potential for or appearance of); establish reporting requirements; and enforcement procedures under federal, state, and all other applicable securities laws.

In recognition of the trust and confidence placed in AIC by its clients and to stress AIC's belief that its operations are directed to the benefit of its clients, AIC has developed and adopted the following general principles to guide its employees, officers, and directors deemed to be Supervised Persons of AIC's RIA ("Supervised Persons") under the Code of Ethics. AIC defines the investment adviser to be the entity that supports and drives the provision of investment advisory products and services. Supervised Persons also include all investment advisory personnel defined as key officers, home office associates, all IARs and all associates of an IAR's office, including licensed and non-registered fingerprinted people who have direct contact with our advisory clients.

The interests of clients are paramount and all Supervised Persons shall strive to conduct themselves in such a manner that the interests of clients take precedence over all others, and to prevent access to non-public information about AIC's securities recommendations, and client securities holdings and transactions, except to those associates that need such information to perform their duties.

AIC Supervised Persons must comply with all federal and state securities laws. Further, no Supervised Persons shall, in connection with the purchase or sale of securities, directly or indirectly:

- Employ any device, scheme or artifice to defraud;
- Make any untrue statement of a material fact or omit to state a material fact;
- Engage in any act, practice or course of business which would operate as a fraud or deceit; or
- Engage in any manipulative practice.

All personal securities transactions by Supervised Persons must be accomplished in such a way as to avoid any conflict between the interest of AIC's clients and the interest of any Supervised Persons. All Supervised Persons shall strive to avoid actions or activities that allow personal benefit or profit from their position with regard to AIC's clients. Each Supervised Person is required to provide quarterly reports of all transactions in securities in which the person has, or by reason of such transaction acquires, any direct or indirect beneficial ownership to AIC's Chief Compliance Officer ("CCO") or designee. Each Supervised Person is also required to submit appropriate holdings reports to AIC's CCO, or his/her designee, which shall be reviewed to determine whether a violation of the Code of Ethics may have occurred.

Our Code of Ethics includes specific provisions outlined in the Insider Trading and Gifts and Gratuity sections of the AIC Investment Adviser policies and procedures manuals. Supervised Persons are required to comply with these policies and procedures.

Supervised Persons are further required to report any violation of the Code of Ethics to the CCO, or his/her designee and submit written acknowledgement of receipt of the Code of Ethics and any amendments at least annually.

If you want to obtain a complete copy of AIC's Code of Ethics, we will provide it upon request.

Participation or Interest in Client Transactions and Personal Trading

Officers of AIC may, from time to time, make recommendations to our advisory clients relating to securities in which such officer has an interest. In addition, and as noted above, we are part of a family of companies engaged in the financial services and insurance industries. These companies, some of which may be regarded as "related persons" of ours, may have direct or indirect interests in securities about which we and/or our IARs may provide investment advice.

We may buy or sell for our accounts, or individuals associated with us may buy or sell for their personal accounts, securities identical to those recommended to customers.

Because AIC or any related person(s) may have an interest or position in a certain security which may also be recommended to you, our client, and as these situations may present a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

- A director, officer or employee of AIC shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment, unless the information is also available to the investing public on reasonable inquiry. No person of AIC shall prefer his or her own interest to that of the advisory client.
- All clients are fully informed that employees of AIC may receive separate compensation when effecting transactions during the implementation process.
- AIC emphasizes the unrestricted right of the client to decline to implement any advice rendered.
- AIC emphasizes the unrestricted right of the client to select and choose any broker or dealer and/or insurance company he or she wishes.
- AIC requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisers.

Any individual not in observance of the above may be subject to termination.

Item 12 – Brokerage Practices

Research and Other Soft Dollar Benefits

We do not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”).

Brokerage for Client Referrals

We do not consider, in selecting or recommending broker-dealers, whether we or a related person receives client referrals from such broker-dealer or third party.

Directed Brokerage

You are under no obligation to act on the recommendations of AIC and are free to select any broker/dealer or investment advisor you'd like to implement our recommendations. In other words, you are not required to work with us. However, if you want to hire us for our investment management services, we are responsible for executing your account transactions and therefore responsible for attaining the best execution possible under the circumstances.

If clients contract for our investment management services, we require them to use broker/dealers recommended or approved by us. Please note that not all investment advisors require the use of specific broker/dealers. Some investment advisors permit clients to use any broker/dealer of the client's own choosing. In very rare cases, we may work with a client that wants to use a broker/dealer that has not been recommended or approved by us. In such cases, those clients must understand that we may be unable to effectively negotiate brokerage compensation on the client's behalf. When directing brokerage business, clients should consider whether the commission expenses and execution, clearance and settlement capabilities that they obtain through the broker/dealer they select are adequately favorable in comparison to those that we would otherwise obtain for our clients. Clients with client-directed brokerage arrangements should also understand we may be limited in our trading ability (compared to platforms recommended by AIC) and may be required to execute client directed trades after trades are implemented through accounts at our preferred platforms. Clients are encouraged to discuss available alternatives with their IAR.

Our recommendation of a specific custodian or broker/dealer is based in part on our existing relationships, the custodian's financial strength, reputation, breadth of investment products, and, the cost and quality of custody and brokerage services provided to you and our other clients.

The determining factor in the selection of a custodian to execute transactions for your accounts is not the lowest possible transaction cost, but whether the custodian can provide what is, in our view, the best qualitative execution for investment transactions for your account.

Selection of Brokers

We permit our IARs to provide a variety of programs when recommending services to you, including different brokerage and custodial platforms. AIC may limit an IARs use of available platforms based on factors such as industry and technical experience, assets under the IARs management, and training requirements.

When selecting brokerage platforms for client accounts, we consider standard benefits that are available without cost to all investment adviser firms using the platform, including our firm. These benefits include, but are not necessarily limited to, the following products and services: receiving duplicate client statements and confirmations; research related products and tools; access to a trading desk serving AIC account participants; the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts; the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds with no transaction fees.

We do not receive research or other products or services other than execution from broker-dealers we select in connection with client securities transactions (soft dollar benefits). We do not consider, in selecting or recommending broker-dealers, whether we or a related person receives client referrals from a broker-dealer or third party.

While AIC considers the overall services provided by the brokerage firms, products and services offered by these firms may benefit AIC but may not benefit our clients. We also have material arrangements with some firms that create an incentive for us to recommend those firms over other brokerage firms. These relationships are further explained below.

Ameritas Investment Corp.

As a dually registered broker dealer and investment advisor, AIC may utilize its own brokerage services and clearing agreements in certain of its programs. AIC utilizes its clearing and custody relationship with National Financial Services (“NFS”) for services provided under the following programs: Galaxy, Galaxy Wrap, Constellation, and Managed Account Solutions which are further described in this brochure or a brochure supplement.

NFS transmits client orders for execution to various exchanges or market centers based on a number of factors, including size of the order, trading characteristics of the security, favorable execution prices (including opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing, and reduced execution costs through price concessions from the market centers. Certain market centers may execute orders at prices superior to the publicly quoted market in accordance with their rules or practices. NFS' order-routing policies, taking into consideration all of the factors listed above, are designed to result in favorable transaction processing for customers.

NFS provides the following products and services without cost: receiving duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving AIC; access to block trading (providing the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers through its Managed Account Solutions platform.

While AIC can negotiate competitive pricing from NFS that it believes is beneficial to its clients, AIC's clearing relationship with NFS provides AIC with certain economic benefits by using itself as the broker/dealer rather than an unaffiliated broker/dealer. For example, AIC adds a markup to transaction costs and other brokerage account charges and fees that are assessed to client accounts participating in the programs it sponsors. We also retain net profits that result from the correction of trade errors in program accounts. All losses incurred by clients, due to error, will be removed from either the IAR's compensation or AIC's revenues, depending on the cause of error.

AIC participates in a cash sweep program with NFS and FDIC insured banks which creates financial benefits for AIC and NFS. In connection with the cash sweep program, AIC will receive a fee from each bank ("Program Bank") participating in the program. The fee will typically vary from Program Bank to Program Bank. The amount of the fee received will affect the interest rate paid to customers by the Program Bank. The Program Banks use Program Deposits to fund current and new lending and for investment activities. The Program Banks earn net income from the difference between the interest they pay on Program Deposits and the fees paid to us and the income they earn on loans, investments, and other assets. As noted above, the Program Banks may pay rates of interest on Program Deposits that are lower than prevailing market interest rates that have been paid on accounts otherwise opened directly with the Program Bank. Program Banks do not have a duty to provide the highest rates available and may instead seek to pay a lower rate. The revenue generated by us may be greater than revenues generated by sweep options at other brokerage firms and may be greater than other core account investment vehicles currently available to you or possible core account investment vehicles that we have used in the past or may consider using in the future.

As a result of the fees and benefits described above, the cash sweep program may be more profitable to us than other available sweep options.

AIC also receives money market 12b-1 fees charged to clients by the underlying funds that we may recommend as cash sweep options. Receipt of this additional compensation received by AIC in its broker dealer capacity creates a conflict of interest with our clients.

AIC receives compensation and transitional assistance from NFS to reimburse termination fees when clients transition their accounts to AIC's custodian, NFS. This compensation is based on an expected level of assets transitioned to NFS by a particular IAR or AIC.

These additional forms of compensation are a financial benefit to AIC and conflict of interest because we have an incentive to direct client accounts in consideration of the actual or anticipated incentives or consideration we will receive.

TD Ameritrade Institutional

AIC also recommends the use of TD Ameritrade as custodian and broker dealer for its Galaxy II Program and Galaxy II Wrap Fee Program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker/dealer and FINRA member. TD Ameritrade offers services to investment advisors like AIC that include custody of securities, trade execution, clearance and transaction settlement. AIC receives some benefits from TD Ameritrade for assets invested in the Galaxy II Program and Galaxy II Wrap Fee Program.

Although we receive economic benefits that are typically not available to TD Ameritrade retail investors, there is no direct link between AIC's use of TD Ameritrade and the investment advice we give to our clients. These benefits include the following products and services (provided without cost or at a discount): receiving duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving AIC; access to block trading (providing the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology and practice management products or services provided to AIC by third party vendors.

TD Ameritrade may also pay for business consulting and professional services received by AIC related persons. Some of the products and services made available by TD Ameritrade may benefit AIC but may not benefit our client accounts. These products or services may assist AIC in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help AIC manage and further develop our business enterprise.

We also receive an economic benefit from TD Ameritrade when our investment advisor representatives select TD Ameritrade Institutional to serve as the brokerage platform for their client accounts. When an account is opened through TD Ameritrade, we receive compensation from TD Ameritrade in the form of a reimbursement of annual fees charged by service providers we utilize to administer accounts in the Programs. The fact that TD Ameritrade has agreed to pay annual fees charged by service providers creates the potential for us to recommend or even require clients use the services of TD Ameritrade.

Additionally, AIC receives compensation and transitional assistance from TD Ameritrade Investments to reimburse termination fees when clients transition their accounts to TD Ameritrade to utilize their services and products. This compensation is based on an expected level of assets transitioned to TD Ameritrade. This creates a conflict of interest because, we have an incentive to direct client accounts in consideration of the actual or anticipated incentives or consideration we will receive.

The benefits received by AIC or our personnel do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor always to put the interests of clients first. Clients should be aware, however, that receiving economic benefits in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Aggregation of the Purchase or Sale of Securities

Client orders executed through the same broker dealer may be aggregated to achieve best execution. Generally, clients will receive the average share price of all orders executed to fill the aggregated order. Clients in the aggregated order will incur the same transaction fee or commission charge regardless if the order was aggregated or executed individually. Aggregation saves time and all accounts receive the same price. We may attempt to aggregate orders when it is determined it is prudent to place orders for the same security, at the same time, in one or more client accounts. Generally, we encourage our IARs to aggregate orders; however, some IARs have determined not to aggregate, due to system requirements. If your IAR chooses not to aggregate trades, some clients may pay more or less for securities purchased or sold at similar times.

Item 13 – Review of Accounts

Your IAR will request information from you regarding your financial situation, investment objectives, risk tolerance, and other factors that might be considered in the management of your account. Your IAR will assist you in setting appropriate investment objectives and recommend investments and advisory programs appropriate for your investment objectives.

Written performance reports are delivered quarterly on our asset management programs which assist you and your IAR in the review of transactions and performance of your accounts. Your IAR will contact you at least annually to review this information, your financial situation and investment objectives to determine if changes need to be made to the management of your account.

AIC conducts quarterly meetings with AIP to review the performance of investments selected in the model portfolios it makes available through Constellation. Through these meetings, decisions will be made as to whether investments should be replaced, held or placed on watch lists. Representatives of AIC and AIP will also discuss current market conditions and other events that may affect the ongoing management of the portfolios.

AIC performs periodic account reviews to verify that transactions effected in client accounts are consistent with the established investment objectives of the client. The IAR may also periodically review client accounts. Triggering factors which could cause such reviews include, but are not limited to, changes in client objectives or circumstances, world events, market movements, interest rate changes or client requests. AIC also reviews financial planning activity, fee collection and debiting of client accounts.

Item 14 – Client Referrals and Other Compensation

From time to time, IARs may recommend or select other investment advisers for their clients. AIC and IARs are compensated for client referrals. Receipt of such compensation creates a conflict of interest. All solicitors' agreements are in compliance with the Investment Advisers Act Rule 206(4)-3. In addition, all applicable federal and state laws will be observed.

On a limited basis, AIC may enter into an agreement to compensate a solicitor for client referrals. All clients procured by solicitors will be given full written disclosures describing the potential conflict of interest, the terms and fee arrangements between the Adviser and solicitor prior to or at the time of referral.

The compensation received by your IAR in connection with investment advisory programs sponsored by the particular adviser is noted above and is more fully described in the separate brochures relating to each program. These brochures are available upon request and will be supplied to you before a program account is established on your behalf.

AIC acts as the principal underwriter for variable products offered by its affiliated insurance company ALIC. For qualified accounts, AIC and its IARs acting as fiduciaries will not receive both advisory fees and commissions or distribution fees unless in compliance with applicable prohibited transaction exemptions.

When AIC acts as the principal underwriter and/or distributor of variable products, AIC and its IARs may receive a portion of the fees paid for such underwriting and/or distribution. If the insurance contract is issued by an affiliate, this creates a conflict of interest which is addressed elsewhere in this brochure.

AIC also receives distribution fees (12b-1 fees) from mutual funds in your advisory accounts. Receipt of such compensation creates a conflict of interest; therefore, AIC has implemented a policy requiring that to the extent AIC receives 12b-1 fees in advisory accounts, such fees will be rebated back to clients.

IARs may receive production incentives as a result of reaching certain levels of sales and/or assets under management. Production levels and compensation to advisory representatives may vary. There is a potential conflict of interest for us and our associates in recommending certain affiliated programs.

IARs are eligible to receive incentive prizes, awards, and certain reimbursements for advertising, sales literature and promotions offered by product promoters such as mutual fund companies. Our policy is to permit all IARs to accept such awards and prizes to the extent that they are usual and customary within the industry, and in compliance with the SEC, FINRA, or state rules, regulations or guidelines. Because an IAR may receive such incentives, a conflict of interest exists.

Third Party Asset Management Programs

AIC receives revenue sharing and/or marketing allowances under special agreements with independent investment management firms through our Elite Partners Program. Independent investment management firms are selected to participate based on several criteria, including investment strategy, investment performance, transaction reporting capabilities, and training and wholesaling support. In exchange for certain benefits, such as the opportunity to participate in AIC's national conferences and broader access to our IARs, the independent investment managers in the Elite Partners Program share with AIC a portion of the revenue generated by distributing their products and services and/or pay a specified annual dollar amount. AIC's Elite Partners pay an annual fee based on assets under management and/or a flat fee, not to exceed 10 basis points per partner. It is important to understand that AIC's IARs do not receive any compensation through the Elite Partners Program, and as such, do not have a financial incentive to select one investment management firm over another.

Third-party asset managers may reduce the fees that they charge for services provided to your account based on the level of assets that an IAR may place with the asset manager. The reduction in fees may not necessarily reduce the advisory fee you pay, and may instead increase the portion of the advisory fee paid to the IAR. This is a conflict of interest for the IAR in that they may earn more in advisory fees by placing your assets with a particular third-party asset manager over other programs that are available through AIC. As a fiduciary, your IAR has a duty to recommend investments, including those managed by third-party asset managers, that are in your best interest.

AIC's IARs are eligible to receive reimbursements, marketing and distribution allowances, due diligence fees, or other compensation based on deposits and/or assets under management directly from third party investment managers for the costs of marketing, distribution, business and client development, educational enhancement, and/or due diligence reviews incurred by AIC's IARs relating to the promotion or distribution of the investment manager's services. Because an IAR may receive such additional compensation, a conflict of interest exists. To mitigate this conflict, AIC requires its IARs to submit receipts for all expenses for which reimbursement is requested. All such reimbursements must be approved by and paid through AIC.

With respect to the AssetMark Program, your IAR is entitled to receive a quarterly and/or one-time reimbursement from AssetMark, Inc. for qualified marketing and/or business development expenses incurred by the IAR. The amount of such reimbursement is based on the total assets invested at the end of each calendar quarter in the AssetMark Program as follows:

Eligible AUM – Premier Consultant	One-time Reimbursement (Evaluated Quarterly)
\$5 million within 12 months of first funding	\$2,000
\$5 million after 12 months of first funding	\$1,000
\$10 million within 12 months of first funding	\$3,000
\$10 million after 12 months of first funding	\$1,000

Eligible AUM – Gold & Platinum Premier Consultant	Quarterly Reimbursement
\$25 million	\$1,250
\$35 million	\$1,750
\$50 million	\$2,500
\$75 million	\$3,750
\$100 million	\$6,250
\$125 million	\$8,750
\$150 million	\$11,250
\$175 million	\$13,750
\$200 million	\$16,250
\$225 million	\$18,750
\$250 million	\$21,250
\$275 million	\$23,750
\$300 million	\$26,250

Item 15 – Custody

Custody, as it pertains to an investment adviser, has been defined by the SEC as having access or control over client funds and/or securities, but does not include the ability to execute transactions in client accounts. Custody is not limited to physically holding client funds or securities. If an investment adviser, or any of its affiliated companies, has the ability to access or control client funds or securities, the investment adviser is deemed to have custody for the purposes of the Investment Advisers Act of 1940 and must ensure proper procedures are implemented.

Based on the SEC's definition, AIC is deemed to have custody over advisory accounts managed by AIC as AIC deducts advisory fees directly from our client's accounts and processes deposits on behalf of our clients. Further, clients may have standing letters of instruction authorizing AIC to send funds from a client's account upon request. In these instances, clients are required to sign a letter of authorization with the custodian of their assets granting such authority.

For accounts over which AIC is deemed to have custody we have established the following procedures to comply with the SEC's Custody Rule: All client funds and securities are held at a qualified custodians, National Financial Services or TD Ameritrade in a separate account for each client under that client's name.

Clients, or independent representatives of clients, will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained.

Account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from AIC. When clients have questions about their account statements, they should contact AIC or the qualified custodian preparing the statement.

In accordance with SEC regulations, AIC is subject to an annual surprise verification examination and annual internal control review.

AIC must engage an independent, third-party accounting firm to perform an annual, surprise examination verifying the location of client funds and securities and ensuring the accuracy of quarterly statements. When completed, the accounting firm's report will be available through the SEC's Investment Adviser Public Disclosure page at www.adviserinfo.sec.gov. You can view our information by searching for "Ameritas Investment Corp." or our CRD number 14869.

An internal control report must include an opinion of an independent public accountant as to whether controls are in place as of a specific date, are suitably designed for our business operations and are effectively meeting the control objectives relating to custodial services held by AIC on behalf of our clients. The accounting firm must also verify that funds and securities of which AIC is deemed to have custody are reconciled to a custodian (i.e. National Financial Services or TD Ameritrade). The internal control report is prepared by a third-party accounting firm that is not affiliated in any way with AIC and that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB").

Item 16 – Investment Discretion

Where AIC acts with discretionary authority, such authority is limited to buying and selling securities or other investments and does not give AIC the authority to withdraw or transfer any money, securities, or property either in the name of a client or otherwise.

An IAR must receive written approval from the Firm prior to offering investment discretion services to you. If we approve an Advisor to offer investment discretion to clients, they must also obtain written authorization from you prior to exercising such discretionary authority over your account. You may place reasonable restrictions on the management of your account, whether it is discretionary or non-discretionary, including restrictions on the type of securities that can be purchased in your account.

Item 17 – Voting Client Securities

AIC does not vote proxies. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies. We are available to answer questions regarding such notices.

Third party investment advisors may vote proxies in connection with programs we make available, please review the respective program materials for information on these investment advisor's proxy voting policies.

Item 18 – Financial Information

We will disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to you. At this time, we have no financial conditions that would impair our ability to meet contractual commitments to you.