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Ameritas Investment Partners, Inc.

Form ADV
Part 2A Appendix 1

Mercury
Wrap Fee Program Brochure

October 23, 2026

This brochure provides information about the qualifications and business practices of Ameritas Investment Partners, Inc. ("AIP"). If you have any questions about the content of this brochure, please contact AIP compliance by phone at (402) 467-6980 or by email at AIPCompliance@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 Partners, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov by searching for Ameritas Investment Partners, Inc.

AIP is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training.

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Item 2 – **Material Changes**

This item includes a summary of the material changes that were made to this ADV Part 2A Appendix 1, the Wrap Fee Program Brochure for the **Mercury** Wrap Fee Program since the last annual filing which was filed on March 25, 2026. The following material changes have been made since our last filing.

Item 4 – Services, Fees and Compensation has been updated to include information regarding model investment portfolios ("Model Portfolios") that AIP provides through Envestnet and are available through the Ameritas Wealth Platform and the bank sweep program that is associated with Wrap Fee Program Accounts.

Item 6 – Portfolio Manager Selection and Evaluation has been updated to include information regarding our Model Portfolio strategies that are available on the Ameritas Wealth Platform.

Item 9 – Additional Information has been updated to reflect that AIP has custody of client assets in the Wrap Fee Program Accounts that are subject to the NFS clearing agreement.

AIP may make changes to this brochure at any time. Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to all annual brochure updates within 120 days of the close of our business' fiscal year or as required for material changes related to disciplinary information. If AIP makes any material changes relating to the disciplinary information in Item 9 – Additional Information, we will provide you either: (i) a complete copy of the **Mercury** Wrap Brochure ("Wrap Brochure") 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 Wrap Brochure. We urge you to carefully review all material change summaries as they contain information about significant changes to AIP's advisory services, fee structure, business practices, conflicts of interest and disciplinary history.

To receive a complete copy of our Wrap Fee Brochure at no charge, please visit our website at www.ameritas.com/ameritas-investment-partners or contact our compliance department at AIPCompliance@ameritas.com.

Item 3 – **Table of Contents**

Item 1 – Cover 1
Item 2 – Material Changes 2
Item 3 – Table of Contents 3
Item 4 – Services, Fees, and Compensation 4
Item 5 – Account Requirements and Types of Clients 6
Item 6 – Portfolio Manager Selection and Evaluation 7
Item 7 – Client Information Provided to Portfolio Managers 10
Item 8 – Client Contact with Portfolio Managers 10
Item 9 – Additional Information 10

Item 4 – **Services, Fees, and Compensation**

Services

The Ameritas Investment Partners **Mercury** Wrap Fee Program ("Wrap Fee Program") is a proprietary investment program. Ameritas Investment Company, LLC ("AIC") is a registered broker/dealer. Ameritas Advisory Services, LLC ("AAS") is a registered investment adviser. The **Mercury** program offers investors the opportunity to obtain customized professional investment and brokerage services for one all-inclusive fee based upon the assets under management. Any account within the Program shall be referred to as a "Wrap Fee Account" or "Program Account." AIP, AAS and AIC are affiliates of each other and the Ameritas Companies,with Ameritas Mutual Holding Company ("AMHC") as a common ultimate parent company.

Under the **Mercury** program, AAS through its Investment Adviser Representative ("IAR"), will introduce potential investors ("Investor(s)") to the Wrap Fee Program that they determine to be suitable following AAS's policies and suggested account minimums. The IAR may recommend Wrap Fee Programs, or they may recommend AAS sponsored or unaffiliated advisory programs if they believe such other programs would be in the investor's best interest. The IAR assists Investors in completing required new account paperwork to obtain necessary information concerning their financial condition, risk tolerance, cash flow expectations, etc. Using this information, the IAR will help the investor to determine the Program Account's investment objectives, including an asset allocation strategy and any related portfolio restrictions or limitations. The IAR may ask for additional information to assist in determining the prudence of investing in a managed account Wrap Fee Program and to recommend an investment strategy. The Investor is expected to inform their IAR of any material changes in this information during the term of the Wrap Fee Program Agreement, and the IAR will make recommendations based on the information provided, but the ultimate decision on an investment policy rests with the Investor. AIP's Wealth Management team reviews the IAR's analysis and recommendations and will follow-up accordingly to ensure that it is exercising its fiduciary duty to provide personalized advice that is suitable for and in the best interest of the investor. The IAR will review these objectives annually to assist in maintaining their alignment with investor needs. AIP and AAS (including the IAR) each receive a portion of the fee for the services they provide.

AIC acts as the introducing broker/dealer for and provides brokerage services to the Wrap Fee Programs. AIC generally introduces Program Accounts to National Financial Services LLC ("NFS"), 245 Summer Street, Boston, MA, 02210 as the clearing broker/dealer and custodian on a fully disclosed basis. On a limited basis, an alternate qualified custodian may be employed at the client's request and expense, and in these cases, NFS will remain the clearing broker. Such investors will not pay additional brokerage commissions than other clients who utilize NFS as the qualified custodian for their accounts.

AIP provides investment advisory services for **Mercury** accounts that are tailored to each client's investment objectives and risk tolerances. Once a strategy is determined as discussed above, an AIC brokerage account is opened and funded and an Investment Advisory Agreement is executed between the client, AAS and AIP. AIP then develops and manages, on a discretionary basis, a customized portfolio using exchange-traded funds ("ETFs"), mutual funds, and other pooled investments (otherwise referred to as "securities"), brokered CDs (which may not be securities) and cash consistent with the Wrap Fee Program and the strategy. Each eligible brokerage account has an associated account to hold cash, including dividends and interest payments, waiting to be invested. This account is called a "sweep" account because cash balances are automatically "swept" into the core account investment vehicle. For eligible accounts, the default core account investment vehicle will be the Bank Deposit Sweep Program ("BDSP"). Available cash in a Wrap Fee Program account is deposited through the BDSP into interest-bearing deposit accounts at one or more FDIC-insured depository institutions ("Program Banks"). Program deposits may only be accessed through your brokerage account. Program Banks do not have a duty to provide the highest interest rates available and may instead seek to pay a lower rate. Interest rates on deposits through the BDSP may be lower than the prevailing market interest rates that have been paid on accounts otherwise opened directly with the Program Bank. Deposits at an individual Program Bank are covered by FDIC insurance up to a maximum of $250,000 for an individual account and $500,000 for joint accounts. The maximum amount of FDIC Insurance coverage for your deposits in the Program is up to $2.5 million for an individual account or up to $5 million for a joint account, subject to the total amount on deposit in an account, applicable FDIC rules and bank availability. Deposits over the limits mentioned here or that cannot otherwise be placed at a Program Bank due to capacity constraints are "Excess Deposits" and will be deposited into one or more "Excess Deposit Banks," as designated on the Program Bank list, without regard to FDIC-insurance limitations, and thus these Excess Deposits will not be covered by FDIC Insurance. The Bank Deposit Sweep Program is not covered by SIPC. The information provided here should not be relied upon as a full description of the Program. You should rely on disclosure documents provided at the time your account is established and any subsequent information provided by NFS for complete details. BDSP documents including disclosures, interest rates, and a list of participating banks can be found online at www.ameritas.com/investments/disclosures. The BDSP offers FDIC insurance ("FDIC Programs"). If you are eligible to participate in the FDIC Programs, you can expect to receive a disclosure document when you establish or fund your account which more fully outlines the BDSP. AIP encourages you to review it carefully. If multi-share class funds are held in an investment portfolio, AIP will utilize the lowest cost share classes available to us through NFS.

NFS receives revenue from each bank ("Program Bank") participating in the BDSP based on the average daily deposits held at the Program Banks. This revenue is then shared with AIC and, from this revenue, AIC will pay interest to customers who participate in the BDSP. Although AIC does not accept revenue from NFS for advisory accounts participating in the BDSP, the interest rate paid to customers is the same for all accounts and account types, is determined by AIC, and is subject to change. Program Banks pay a rate for Program Deposits to NFS that is higher than the rate received by you, and the difference is the fee retained by AIC and NFS for administering the BDSP and related services. The fees retained by AIC and NFS can be a higher percentage of the interest than what is credited to customer accounts.

If you own multi-share class mutual funds in a discretionary or non-discretionary account, AIP or AAS will direct the broker/dealer, clearing firm or custodian of your account to convert the mutual fund shares you own to the lowest cost share class available to us for the same funds at no cost or tax consequences to you. Such conversions will be made without notice.

AIC directs all purchase and sale orders placed by AIP to NFS. NFS also maintains custody of all Program Account assets and performs normal custodial and record keeping functions with respect to such Accounts.

Fees

Clients of the **Mercury** program pay a fee quarterly at the beginning of each quarter for services to be provided in that quarter, based a percentage of your account value as of the last business day of the previous quarter and include all positions in the account including cash, money market funds and brokered CDs unless specifically excluded by policy or by agreement with your IAR. Fees generally are deducted directly from client assets.

The standard fee schedule appears below. The minimum size for a **Mercury** account is $100,000 but may be waived at AIP's sole discretion.

Account Balance	Maximum Annual Wrap Fee
$100,000 to $5,000,000	1.50%
Over $5,000,000	Negotiable

In certain cases, that portion of the fee payable to AIC, AAS and its IAR may be decreased and, as a result, a lower fee may be charged to the account holder. In addition, an existing client in another advisory program sponsored by AIP may be allowed to become a **Mercury** client and maintain their current fee schedule. As a result, existing and new clients may pay different fees and have different account minimums. The Wrap Fee Program fee is charged at inception on a prorated basis to reflect the number of days remaining in the initial calendar quarter.

There are no sales loads, termination or surrender fees associated with the **Mercury** account.

The total costs associated with a **Mercury** account may be more or less than purchasing brokerage and advisory services separately. The factors that bear upon the relative costs of any program include the number of and timing of transactions, solicitor's fees, management and advisory fees, custody charges, regulatory compliance, administrative charges, research costs, and promotional material costs. These and other factors may affect the cost of obtaining these services separately.

Account fees generally are payable quarterly in advance, as of the last business day of the previous quarter. If an Agreement is terminated within five (5) business days from the date of inception, all fees paid in advance will be refunded. NFS will send account statements at least quarterly, showing all payouts from the account including the Client Fee, if deducted from the account. Such accounts may be terminated at any time on written notice. Fees generally are deducted from client assets by AIC and NFS and allocated to each affiliate based on an agreed-upon percentage for the services provided.

Mercury accounts may be terminated by the account holder at any time on written notice. If an Agreement is terminated within five (5) business days from the date of inception, all fees paid in advance will be refunded. If an account is terminated during a quarter, fees will be prorated, and a refund issued to the client. If the client invests or withdraws more than $100,000 in an account after the beginning of the calendar quarter or more than 50% of the value of an account for accounts with account balances of $200,000 or less, the advisory fee will be recalculated and pro-rated as of the day of the additional investment or withdrawal. If the investment or withdrawal results in a change in advisory fees of more than $10, the advisory fee will be refunded or the prorated fee will be charged. For valuation purposes the assets will be treated as if they were held in the client's account as of the end of the quarter. The client is responsible for reviewing NFS' fee deductions and reporting any discrepancies to AIP.

Other Fees and Expenses

No other fees are assessed in addition to the Wrap Fee Program fee. However, transaction-based assessments or taxes imposed by governments, self-regulatory organizations, exchanges, etc. are not included in the Wrap Fee Program fee and will be passed through to the account holder. Fees charged by the custodian that are related to AIP's management of client accounts, including wire fees, liquidation fees, inactivity fees, and outgoing account transfer fees, will be reimbursed to the client by AIP. Also, certain indirect costs may be associated with securities purchased or held in an account. Examples of such indirect costs include advisory fees and operating expenses associated with ETFs, mutual funds, or other pooled investments that pay these expenses from their assets and pass them along proportionately to all their shareholders. While the client may be indirectly charged these fees, the client is not assessed a separate Program Account fee for them and directly pays only the fee under the contract.

As further described in Item - 9 Additional Information, AIC receives compensation from NFS in the form of monthly trading volume discounts, monthly margin interest, transition assistance, business development credits, and payments to offset costs of AIC's conferences and events. AIC adds a markup to brokerage account charges and fees ("rebillable fees") that are assessed to client accounts participating in programs that utilize NFS as clearing firm and custodian for account assets. AIP does not reduce our advisory fees to offset these costs. Transaction fees and account activity fees are outlined in the NFS Brokerage Account Fee Schedule provided by your IAR when you establish a brokerage account with AIC and its clearing firm and custodian, NFS, and are subject to change without notice. Current transaction fee and activity fees schedules are also posted at www.ameritas.com/investments/disclosures.

AIC retains 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. These revenues and compensation related to both advisory and brokerage accounts custodied on the NFS platform, create substantial financial benefits to AIC and NFS.

Compensation received by AIC represents a conflict of interest for us as AAS and AIC are under common ownership of our parent company. AAS has an incentive to recommend AIC as the introducing broker/dealer and NFS for the custodian and clearing firm for our advisory programs. This compensation is not shared with your IAR.

AIP has arranged for Chicago Clearing Corporation ("CCC") to provide class action litigation monitoring and securities claim filing administration for client accounts that chose to participate in this service. CCC charges a contingency fee of 15% of the amount of each claim settlement award which is deducted from the client's award at the time of payment. There are no minimum fees or other fees deducted from an account related to this service, and AIP receives no portion of the fee or a rebate from the provider.

Compensation

Account fees are allocated to each of AIP, AIC, AAS and the respective IAR based on an agreed-upon percentage for the services provided. Fees are charged based on a percentage of your account value and include all positions in the account including cash, money market funds and brokered CDs unless specifically excluded by policy or by agreement with your IAR. The IAR receives compensation for providing various services to Wrap Fee Program investors, including: recommending the Wrap Fee Program, assisting them in developing and maintaining investment objectives and asset allocation limits, and ongoing financial planning. The amount of this compensation may be more than would be received if the investor participated in other programs of the sponsor or paid separately for investment advice, brokerage, and other services. Therefore, the person recommending the Wrap Fee Program to you may have a financial incentive to recommend this Wrap Fee Program over other programs or services.

Item 5 – **Account Requirements and Types of Clients**

Opening a Mercury Account

The minimum size for a **Mercury** account generally is $100,000 but may be waived at AIP's sole discretion. Participation in the program typically is initiated by receiving and reviewing this Wrap Fee Program Brochure and submitting the following completed documents to an AAS IAR:

- Brokerage Account Application.
- Investment Advisory Agreement, indicating account options, internet access, proxy voting, participation in class action administration services, delivery of electronic confirmations and statements, various disclosures, acknowledgments, and authorizations.
- Investment Questionnaire and Asset Allocation Worksheet ("Worksheet").

Based on these completed documents, the IAR makes the initial determination as to the client's suitability for the **Mercury** Program. AIP also makes an independent assessment of whether to establish an account for a client. The Worksheet will also assist AAS and AIP in determining an appropriate risk tolerance and asset allocation strategy for the client. The client agrees to provide updates to the Worksheet to AAS or AIP as their circumstances and investment objectives change. In addition, the IAR is expected to meet annually with each client, and AIP conducts an annual survey of accounts for changes.

The Custodian maintains custody of the account assets and provides other custodial functions, including crediting of interest and dividends on account assets and crediting of principal on called or matured securities and other customary custodial functions.

The Custodian also forwards a confirmation of each purchase and sale directly to the client and AIC. Additionally, the Custodian delivers a monthly account statement directly to clients and AIC for each month in which account activity occurs and at least quarterly regardless of account activity. The Custodian also acts as general administrator of Program Accounts, which includes charging and collecting account fees and processing, pursuant to AIC's instructions, deposits to and withdrawals from Program Accounts.

Types of Wrap Fee Account Clients

The **Mercury** Program is available to the following types of clients:

- Individuals.
- High net worth individuals.
- Retirement Accounts (including IRAs).
- Pension and Profit Sharing Plans.
- Trusts.
- Estates.
- Charitable organizations.
- State and local government entities.
- Small businesses and others.

Retirement Accounts

Guidance from the US Department of Labor ("DOL") under Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code, requires AIP to inform you that when AIP and our financial professionals provide non-discretionary investment advice (including recommendations of our advisory program(s)) to you regarding your ERISA retirement plan or participant account or individual retirement account (which are all referred to as "retirement accounts"), that AIP and our financial professionals are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so for retirement accounts AIP operates under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Regulations under ERISA and the Internal Revenue Code define fiduciary investment advice as (1) advice or recommendations, for a fee or other compensation, regarding investing in, purchasing or selling securities or other property to a plan, plan participant, or IRA owner; (2) provided on a regular basis; (3) where the advice is provided pursuant to a mutual agreement or understanding that; (4) the advice serves as a primary basis for investment decisions with respect to the plan or IRA assets; and (5) the advice is individualized to the plan, participant or IRA owner.

Retirement Plan Rollovers

When leaving an employer, you typically have four options regarding your existing retirement plan: (1) leave the assets in the former employer's plan, if permitted, (2) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (3) roll over the assets to an Individual

Retirement Account ("IRA"), or (4) take a full withdrawal in cash, which would result in ordinary income tax and a penalty tax if you are under age 59 ½. If your IAR recommends that you roll over your 401(k) or other qualified plan assets to an IRA, this rollover recommendation presents a conflict of interest in that AIP and your IAR would receive compensation (or may increase current 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. Prior to making a decision you should carefully review the information regarding your rollover options and are under no obligation to rollover retirement plan assets to an account managed by us.

In the case that AIP is making a recommendation to rollover assets from an employer sponsored retirement plan or another IRA, AIP is required to document discussions with you concerning the investment options and associated pros and cons considered, as well as the specific reason or reasons why the recommendation was considered to be in your best interest.

Item 6 – **Portfolio Manager Selection and Evaluation**

Selection and Review of Portfolio Managers

The **Mercury** program is a proprietary investment program sponsored by AIP. All new participants must enter into an investment advisory agreement with AIP and AAS. A client's initial selection and ongoing continuation in the Program are based on AIP's ability to manage accounts and deliver total return performance that meets clients' expectations. The benchmarks for account performance are based on each client's responses to the Worksheet which is completed and updated in consultation with your AAS IAR. Using these responses, the portfolio manager designs an appropriate investment strategy and develops an appropriate diversified portfolio using this strategy. AIP, in its investment advisory role, maintains current client profiles and adjusts portfolios accordingly.

Clients receive customized written performance evaluation reports each quarter. These reports currently are prepared by AIP. Portfolio performance is calculated using a time-weighted methodology that is programmed into the independent portfolio administration system used by AIP (currently Envestnet's Tamarac Reporting module). The reports are intended to inform clients about their investment performance over the current period and over the longer term since the account's inception, both on an absolute basis and as compared to a customized benchmark (a calculated weighted average of the performance of leading investment indices that correspond with your portfolio's objectives) and its components.

Types of Advisory Services Offered

AIP provides investment supervisory services and manages investment portfolios tailored to achieve its clients' objectives and risk tolerance by managing various asset classes with in-house personnel that have education, training, and experience with these assets. The **Mercury** program primarily utilizes ETFs, mutual funds, and other pooled investments to efficiently invest in a broad range of asset classes.

AIP's Investment Securities departments primarily provide management in a **Mercury** Program Account using asset allocation and fund selection of ETFs, mutual funds, and other pooled investments.

AIP is committed to maintaining diversified client portfolios. Account managers are inclined to emphasize conservation of principal and, at the same time, seek optimum returns within the framework of each client's investment objectives and specific level of risk tolerance.

AIP professional managers strive to adhere to the following strategies:

- Utilize a proprietary asset allocation process designed to align client needs, expectations, and constraints with investment market opportunities to deliver client-specific custom diversified investment portfolios.
- Develop recommendations based on each client's financial situation, including issues of cash flow expectations, capacity for loss, income tax exposure, concentrated holdings, complementary investment exposure and other factors.
- Select investments in asset allocation that have both attractive expected returns and complementary characteristics when held within a diversified investment portfolio.
- Primarily utilizes ETFs, mutual funds and other pooled investments when allocating exposure to asset classes and for liquidity.
- On a limited basis, utilizes individual security positions when appropriate for a client's specific situation include, but are not limited to, stocks, bonds, and money market funds (otherwise known as "securities") as well as brokered certificates of deposit ("brokered CDs") (which may or may not be securities) and cash.

How Advisory Services are Tailored to Individual Client Needs

AIP manages portfolios in a manner that is consistent with each advisory contract and Worksheet. These documents will indicate the ranges of each asset class or classes to be included in the portfolio. Portfolios also may include restrictions or limitations on certain securities or types of securities. These restrictions often are based on the client's investment objectives, goals, and risk profile. These parameters often are driven by the nature of the operations of institutional clients (pension plans, charitable organizations, etc.) and by the investment goals and risk profile of individual clients (retirement, college, or general savings, etc.). Once these conditions are known, the portfolio manager can design an appropriate investment strategy to manage the account.

Differences Between Management of Wrap Fee Accounts and Other Accounts

AIP acts as a portfolio investment advisor. AIC provides brokerage services and AAS provides certain advisory services, to clients other than Wrap Fee Program Accounts. Due to differences in the investment objectives and financial situations of the various clients AIP and AAS serve, investment advice and related services provided to various clients may differ. In addition, actions taken on behalf of various clients may differ with respect to the nature of the advice or the timing of transactions. AIP and AAS have no obligation to purchase or sell, or to recommend the purchase or sale, of any security that AIP, AAS, or any affiliate of either, purchases or sells for itself or themselves or for any other client.

Before engaging with an IAR, you should discuss the many differences between broker/dealer and advisory relationships as well as any limitations on the services your IAR offers. It is important to understand the associated costs and benefits of each option so that you can decide which types of accounts and services that may be best suited for your unique financial goals, investment objectives, and time horizon. You should bear in mind that the 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 investments purchased or sold, anticipated holding period for the investments in your account, potential risk and return, and commission rates.

Investment opportunities for **Mercury** accounts may differ from those for AIP's Institutional Accounts (many of which are affiliates of AIP) and Co-Advisory Accounts, for any one or more of the following reasons: (1) different brokerage arrangements for Institutional Accounts and Co-Advisory Accounts, (2) time constraints of processing offerings and (3) the use of ETFs, mutual funds, and other pooled investments in the construction of portfolios.

AIP provides access to one or more of our model portfolio strategies via the Ameritas Wealth Platform offered by our affiliate, AAS. AIP delivers its model portfolio to Envestnet, who then implements trades for clients invested in the model portfolio. AIP does not determine or process transactions in individual client accounts.

AIP is responsible for continually monitoring these Model Portfolios, updating them over time. Under this arrangement, AIP operates as an impersonal model provider. AIP's recommendations are not tailored to the individual circumstances, investment philosophies, or financial needs of any specific client, nor do they constitute individualized investment advice. AIP does not maintain investment or trading discretion over any Ameritas Wealth Platform client's assets. Ultimate discretionary authority, suitability determinations, and transaction processing rest entirely with the AAS IAR or platform overlay manager.

AIP normally manages Wrap Fee Accounts on a fully discretionary basis, including a review of each investment prior to executing a transaction. In a limited number of circumstances and only when introduced by a Series 7 Registered Representative and IAR, clients have directed AIP not to exercise discretion with regard to certain investment positions in their portfolios. When this occurs, AIP does not manage the position(s) and generally does not charge an advisory fee for such investments.

Orders for **Mercury** and other Program Accounts using the same trading platform may be aggregated with other Program Accounts and orders for institutional accounts may be aggregated with other Institutional Accounts. Because institutional and certain wrap fee account trades use separate electronic trading systems and networks of brokers, it is not possible to aggregate trades between various classes of customers.

As such, trades in the same security may be executed on the same day in an Institutional Account and Wrap Fee Accounts at different prices. For sales of investments, an allocation process includes Program Accounts and institutional accounts separately, taking into consideration any tax and other matters relative to specific Program Accounts. Allowing for differences in client profiles and the types of brokerage arrangements, as well as time constraints for certain investments, AIP investment allocation procedures are established in an effort to ensure fair allocation of investment opportunities for all accounts.

Performance-Based Fees and Side-By-Side Management

AIP does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Nor does AIP engage in side-by-side management (managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees).

Methods of Analysis, Investment Strategies and Risk of Loss

AIP employs various methods of investment analysis. Our primary approach is to prepare fundamental and technical analysis of data, but we also may consider charts and cyclical data or other trend and statistical analysis. The main sources of information include: research materials prepared by brokers or others, rating agency reports, securities filings (such as, annual and quarterly reports, prospectuses, and other filings), press releases and financial newspaper and other periodical articles. In addition to such traditional research sources, AIP may use a variety of electronic databases (e.g. Value Line, Empirical Research Partners, Dorsey Wright, and Bloomberg, etc.), telephone and personal communications with management of companies of securities under consideration AIP seeks to identify investments that will achieve clients' investment objectives within the parameters of established investment policies, restrictions, and limitations.

For asset allocation and fund selection accounts investing in ETFs, mutual funds and other pooled investments, AIP utilizes a proprietary asset allocation process designed to align client needs, expectations, and constraints with investment market opportunities to deliver specific ETF and mutual fund selections for custom diversified investment portfolios. Portfolio managers develop recommendations based on each client's Worksheet, financial situation, cash flow expectations, risk tolerance, income tax exposure, complimentary investment exposure and other factors. Investments are selected that have both attractive expected returns and complimentary characteristics when held within a diversified investment portfolio.

Periodically and when appropriate, asset allocation models are evaluated and updated.

AIP circulates an annual survey to inquire about changes in circumstances that may indicate the need for a modification to the client's investment objectives. If the possibility of a change is indicated, AIP would contact the IAR to resolve the question, and such accounts will reallocate investment values accordingly.

Investing involves risk of loss that clients should be prepared to bear. Principal risks in portfolios include:

- **Management Risk.** Individual investments may not perform as expected, and the portfolio management practices may not achieve the desired results.
- **Market Risk.** Securities valuations may fall for a variety of reasons, including economic, political, social, financial, widespread business continuity events (e.g., natural disasters, pandemics, etc.) and issuer-based factors, causing prices of stocks, bonds, and other securities in investment portfolios to fall.

- **Valuation Risk.** An investment judged to be undervalued by the Adviser may actually be appropriately priced, and it may not appreciate as anticipated.
- **Index Tracking Risk**. An index fund has operating expenses; a market index does not. The index portfolio while expected to track its target index as closely as possible, will not be able to match performance of the index exactly.
- **Sector Risk.** Some sectors are more volatile than others. Small to medium capitalization stocks can be more volatile than larger, more established companies. Sectors that focus on narrower sections of the overall market (e.g., technology, natural resources, etc.) can be more volatile than broad based sectors.
- **Asset Allocation Risk.** The selection of underlying securities, mutual funds and ETFs and the allocation of portfolio assets to those investments may cause the portfolio to underperform. The portfolio's possible over-allocation to equity or other higher-risk securities may make it more susceptible to risks associated with such investments than fixed income investments.
- **ESG Investment Risk.** Investment strategies, mutual funds and ETFs that focus on environmental, social and governance ("ESG") practices of corporations in evaluating security selection are subjective and may be defined in different ways by different funds and managers. A portfolio manager's ESG practices may significantly influence performance causing performance to be higher or lower than the overall market or comparable funds or strategies that do not employ ESG practices.
- **ETF Risks, including Net Asset Valuations and Tracking Error.** ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the future for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. An ETF typically includes embedded expenses that reduce the fund's net asset value and therefore directly affect the fund's performance, a client's portfolio performance and index benchmark comparison. Expenses of the fund generally include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses can change from time to time at the sole discretion of the ETF issuer. ETF tracking errors and expenses may vary.
- **Investments in Other Investment Companies.** The risk of investing in other investment companies (mutual funds, ETFs, UITs, etc.) typically reflects the risks of the types of securities in which those investment companies invest and other attending management risks. Additionally, there is the risk that the mutual fund or ETF may not achieve its investment objectives. ETFs also may trade at a premium or discount to underlying net asset value and are subject to secondary market trading risks. When a portfolio invests in another investment company, clients bear their proportionate share of the investment company's fees and expenses as well as their account's fees and expenses.
- **Derivatives Risk.** Using derivative investments (such as, options, swaps, and futures) to hedge portfolio and other risks may increase volatility and may expose a portfolio to a greater level of market risk than the amount of cash utilized. If the changes in a derivative's value do not correspond to changes in the value of hedge target as intended, the account may not fully benefit from or could derivative position. Derivatives that are not exchange traded can involve risk of loss if the counterparty to the contract defaults on its obligation. Derivatives may also be less liquid and more difficult to value.
- **Credit Risk.** There is a chance that an issuer of a fixed income security may fail to pay interest and/or principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of the security to decline. These risks are greater for securities that are rated below investment grade (junk bonds) which may be considered speculative and are more volatile than investment grade securities.
- **Inflation Risk.** Inflation risk, also called purchasing power risk, is the chance that the cash generated by an investment today won't be worth as much in the future. Changes in purchasing power due to inflation may cause inflation risk. Conservative investments such as cash, money market funds, and government bonds are examples of investments that are subject to inflation risk.
- **Interest Rate Risk.** A change in market interest rates may adversely affect the value of fixed income securities. When interest rates increase, the value of fixed income securities generally will fall, and longer-term securities will be affected to a greater degree.
- **Mortgage-Backed and Asset-Backed Risk**. The value of investments in mortgage-backed ("MBS") and asset-backed (ABS) securities is subject to interest rate and credit risk. In addition, these securities also are subject to the risk that the borrowers of the underlying loans may repay the principal on their loans more quickly than expected (prepayment risk), more slowly than expected (extension risk) or may default on their obligation (default risk). Additionally, the value of the collateral supporting the underlying loans could drop in value and may be worth less than the principal balance of the related loan. These events will affect the yield and price of the securities. Some MBS are issued by U.S. Government-Sponsored Enterprises ("GSE") and depending on the issuer, may include some level of support or guarantee as to the timely payment of principal and interest on underlying mortgage loans. This support may be solely provided by the GSE (e.g., Federal National Mortgage Association "FNMA", Federal Home Loan Mortgage Association "FHLMC" among others) or may be backed by the full faith and credit of the U.S. Government (e.g., Government National Mortgage Association "GNMA"). Privately-issued MBS and ABS include no governmental support or guarantee.
- **Regulatory Risk.** This is the risk that changes in law and regulations from any government or governmental agency can change the value of a given company and its securities. Certain industries are more susceptible to government regulation.
- **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.
- **Structured Products Risk.** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference

asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

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.

Voting Client Securities

AIP has engaged Broadridge Investor Communication Solutions, Inc. to vote and administer proxies in actively-managed equity accounts based on our duty to act on behalf of our client's best interests and to comply with SEC rules. Clients may decide to vote proxies themselves and should contact AIP to communicate their intentions to opt out of this service. Clients also may request a report on how their securities were voted by contacting AIP.

AIP has adopted the Glass Lewis & Co. U.S. Proxy Voting Guidelines as its proxy voting policy – clients may obtain a copy of such guidelines upon request or download a copy from our website at www.ameritas.com/ameritas-investment-partners.

Generally, AIP votes proxies for affiliated and unaffiliated institutional accounts and Wrap Fee Account clients applying the aforementioned proxy voting policy. Any material conflicts between the interests of AIP and those of clients will be resolved to protect the clients' interest. AIP personnel have been instructed to report potential material conflicts to the CCO or other AIP officers as AIP personnel become aware of them. If the Portfolio Manager does not agree with a particular position Glass Lewis & Co. has taken on a proposal, they will over-ride that position and document their reasoning accordingly.

Item 7 – **Client Information Provided to Portfolio Managers**

As your investment manager and account administrator, AIP requires access to very sensitive and personal information about you to effectively manage your investments and comply with federal and state securities laws. When requesting any personal information about you, our goal is to collect only the information that is required or that will provide us with valuable insight that can be used to better manage your account.

We maintain physical and electronic safeguards for the protection of your personal information. We restrict access of your information to our employees and agents who need it to perform their jobs. Our employees and agents understand the importance of these safeguards. We have trained them in the proper handling of your personal information.

AIP has adopted the enterprise-wide Privacy Policy of its affiliates, and annually each client is sent a Privacy Notice that summarizes the policy. If you would like a copy of the Privacy Notice, please contact us or download a copy from our website, www.ameritas.com/ameritas-investment-partners.

Item 8 – **Client Contact with Portfolio Managers**

AIP does not place any restrictions on clients' ability to contact and consult with their portfolio manager or their investment adviser representative. The following associates are responsible for day-to-day contact with clients in this program and can arrange meetings with appropriate managers and advisors. They can be reached toll free at 877-731-3336 or at 402-467-6980.

Cathy Zehr | Manager Operations – Wealth Management

Christa Ballenger | Lead – Wealth Management Operations

Item 9 – **Additional Information**

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AIP or the integrity of AIP's management.

AIP has no information applicable to this Item. The following information regarding legal or disciplinary events is related to AIC, a Related Person to AIP, when AIC was a co-sponsor of the Mercury, Gemini and Private Clients Wrap Fee Programs and sponsor of the Constellation wrap fee program for which AIP acts as sub-advisor.

In October, 2020, AIC (doing business as Ameritas Advisory Services), signed a consent agreement with the Commonwealth of Pennsylvania Department of Banking and Securities, Bureau of Securities Compliance and Examinations in which it was ordered to pay an administrative assessment in the amount of $100,000 for failing to register at least one employee in Pennsylvania as an investment adviser representative from January 2015 through June 2019 in violation of the Pennsylvania Securities Act of 1972.

In March, 2019, AIC consented to an SEC order stating that AIC willfully violated Section 206(2) and Section 207 of the Advisers Act by failing to explicitly disclose AIC's conflicts of interest related to receipt of 12b-1 fees and its recommendation or selection of 12b-1 fee paying mutual funds in advisory accounts. AIC self-reported this conduct to the SEC pursuant to the Share Class Selection and Disclosure ("SCSD") Initiative. AIC was censured, agreed to cease and desist from committing or causing any violations or future violations of Sections 206(2) and 207 of the Advisers Act, ordered to pay disgorgement of $3,056,804 and prejudgment interest of $332,370 to affected investors, and to comply with certain undertakings including reviewing and updating, where necessary, the adequacy of all relevant disclosure documents concerning mutual fund share class selection and 12b-1 fees; evaluating whether existing clients should be moved to lower cost share classes; as well as reviewing its policies and procedures to ensure they are reasonably designed to prevent violations of the Advisers Act in connection with disclosures regarding mutual fund share class selection. The SCSD Initiative was a voluntary initiative in which the SEC encouraged investment advisers to self-report violations involving receipt of 12b-1 fees and adequacy of the disclosures arising from the resulting conflicts of interest.

Other Financial Industry Activities and Affiliations

AIP is part of the Ameritas Mutual Holding Company family of companies. Ameritas Mutual Holding Company owns Ameritas Holding Company. Ameritas Holding Company owns AIP and Ameritas Life Insurance Corp. ("ALIC"). ALIC owns Ameritas Life Insurance Corp. of New York, AIC, AAS, and other affiliated companies.

AIP is adviser to the affiliated insurance companies for general account investments and an unregistered Separate Account. AIP consults with the Ameritas Benefits Committee, as Trustee and Administrator of the Ameritas Defined Benefit Pension Plan (Plan), concerning investment objectives and policies for the Plan and also makes specific recommendations to the Plan Administrator for investments held for the Plan's benefit in an Ameritas group variable annuity. AIP provides to ALIC and ALIC NY's Retirement Plans Divisions (collectively the "RP Divisions") certain investment evaluation, tracking and recommendation support and related services using scoring criteria developed and maintained by each of the RP Divisions as well as information received from third-party data providers.

AIP researches and makes recommendations for the inclusion or removal of investment options in retirement plan platforms offered by ALIC and ALIC NY.

AIP is the investment sub-adviser to eight portfolios ("Calvert Portfolios") of the Calvert Variable Trust, Inc. registered open-end investment company, Calvert Research and Management, Inc. ("CRM" a subsidiary of Eaton Vance Corp.). In March 2021, Morgan Stanley completed its acquisition of Eaton Vance Corp. AIP is the investment sub-adviser for the Portfolios under Agreements with CRM that are subject to the annual approval of Calvert Variable Trust, Inc.'s Board of Directors ("Calvert Board of Directors"), including a majority of the "disinterested" Directors, or by a majority vote of the outstanding voting securities of each Calvert Portfolio. Additional information about these Calvert Portfolios can be found in their prospectus and statement of additional information.

AIC is a registered broker/dealer and a member of FINRA (Financial Industry Regulatory Authority) and SIPC (Securities Investor Protection Corp.). AIC is a municipal securities dealer and underwriter for municipal securities offerings primarily in the state of Nebraska. AIC's registered representatives and AAS's IARs may be appointed insurance agents for ALIC and ALIC NY. AIP associates may also be registered representatives of AIC.

AIC provides brokerage services and executes securities transactions which are cleared through National Financial Services, LLC. AIP provides investment advisory services to clients who establish AIP sponsored Wrap Fee Program Accounts and the AAS sponsored Constellation wrap fee program. AIP and AAS share the fees generated by these Wrap Fee Program Accounts identified as suitable for the Programs by AAS's network of IARs. AIC also provides brokerage services to other accounts unrelated to these Wrap Fee Accounts.

About AIP

AIP is an investment adviser registered under the Investment Advisers Act of 1940 and was formed as a Nebraska corporation in 1984.

AIP's primary business activity is providing investment advisory services. AIP associates may also be registered representatives of AIC and in some instances are securities principals, associated with AIC. Certain officers and directors of AIC, AAS and AIP are also officers and directors of affiliates. Also, certain officers and directors of affiliates are clients of AIP and AAS.

AIP provides investment supervisory services and manages investment portfolios for affiliated and unaffiliated separate accounts, three wrap fee programs that AIP sponsors (including **Mercury**), an AAS sponsored wrap fee program, and eight sub-advised CRM mutual funds. Each client's services are tailored to achieve stated objectives and risk tolerances by managing various asset classes with in-house personnel that have education, training, and experience with these assets.

When acting as an investment advisor, AIP has a fiduciary duty to our advisory clients and must make full and fair disclosures to our advisory clients relating to our advisory relationships. As a fiduciary, we aim to put your interests ahead of our own, identify material conflicts and eliminate, mitigate and/or disclosure these conflicts.

AIP's Investment Securities departments primarily provide management in the following areas:

- actively managed equity securities.
- passively managed equity and fixed income securities.
- actively managed fixed income securities, including United States Government and Agency securities, investment grade and high yield public and privately placed corporate securities.
- mortgage and asset-backed securities.
- asset allocation and fund selection portfolios.
- derivative securities (options, futures contracts, swaps, etc.) used to hedge risks associated with securities portfolios, insurance reserves and other asset and liability risks.

AIP's Commercial Mortgage and Real Estate Management and Servicing departments originate and manage portfolios of commercial mortgage loans (including construction and bridge loans) and real estate investments for AIP's affiliated companies, ALIC and ALIC NY, among others, (collectively "Affiliated Accounts").

AIP also provides non-discretionary advice as it relates to the investment and asset management of alternative real estate investments, including:

- real estate joint venture investments.
- revolving credit lines to facilitate the acquisition of real estate assets.

Code of Ethics

AIP's Code of Ethics ("Code') outlines the standards of business conduct that shall govern Supervised Persons, including placing the interest of Clients first at all times, requiring that all personal securities transactions be conducted consistent with the Code, prohibiting Supervised Persons from taking inappropriate advantage of their positions and requiring compliance with applicable federal securities laws. The Code further defines prohibited Business Conduct for Access Persons (any director, officer or associate of AIP or a Supervised Person that has access to non-public information or is involved in making securities recommendations to clients), including engaging in any business transaction or arrangement for personal profit based on confidential information, communicating non-public information about Clients' securities transactions, accepting a gift, favor or service of significant value from a Client, and buying or selling securities or any other property from or to Clients. Prohibited purchases and sales, short-term trading restrictions, exempted transactions, pre-clearance requirements and initial, quarterly, and annual reporting requirements are also detailed in the Code. All Supervised Persons at AIP must acknowledge the terms of the Code of Ethics annually, or as amended. AIP will provide a copy of the Code of Ethics to any client or prospective client upon request.

AIP anticipates that it may, in the appropriate circumstances, affect or recommend trading a security in a client account in which AIP, its affiliates, and/or other clients have an existing material direct or indirect financial interest. AIP's employees and persons associated with AIP are required to follow AIP's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of AIP and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for AIP's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of AIP will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions or exceptions to prohibited purchases and sales, based upon a determination that these would not materially interfere with the best interest of AIP's clients. In addition, the Code requires pre-clearance of most securities transactions, and restricts trading in close proximity to client trading activity.

Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code, and to reasonably prevent conflicts of interest between AIP and its clients.

As described elsewhere in this brochure, certain primarily affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with AIP's obligation of best execution. In such circumstances, the affiliated and unaffiliated client accounts will share commission costs equally and receive securities at a total average price. AIP will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

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 necessarily 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 related companies, has the ability to access or control client funds or securities, the investment adviser is deemed to have custody for the purposes of Section 206(4)-2 of the Investment Advisers Act of 1940 (the "Custody Rule") and must ensure proper procedures are implemented.

AIP is deemed to have custody over Wrap Fee Accounts because AIP, at the client's request, has the ability to initiate money/fund distribution requests, including in client accounts that are subject to third-party standing letters of authorization. For accounts over which we are deemed to have custody, we have established the following procedures to comply with the SEC's Custody Rule: All Wrap Fee Accounts, and the related funds and securities, are held at qualified custodians, in a separate account for each client under that client's name. Additionally, AIP is required to undergo an annual surprise inspection of its client accounts by an independent public accountant.

Account statements are delivered directly from the qualified custodian to each client, at least quarterly. AIP urges each client to carefully review such statements and compare such official custodial records to the performance reports that AIP provides to clients. You should always rely upon information you receive directly from the custodian(s) of your assets. The performance reports made available from AIP are created from data obtained from the custodians that hold the data and from technology that obtains the data from your custodians. As such, the report presentations you may see are subject to the accuracy of their source. Reports may not reflect all holdings or transactions, their costs, or proceeds received by you. AIP's Quarterly Performance Reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Participation or Interest in Client Transactions and Other Conflicts of Interest

AAS or AIP personnel may act in multiple capacities with respect to clients who establish **Mercury** accounts, and these may create conflicts between the interests of our clients and the interests of AAS, AIC, AIP, our affiliated companies, and associates, including those listed below. We endeavor to place the interests of our clients ahead of all other interests.

Principal Trades and Agency Cross Trades

It is AIP's policy that the firm will not execute any Principal Trades or Agency Cross Trades for unaffiliated client accounts, including **Mercury** accounts. Under certain circumstances AIP, as advisor to Ameritas or other affiliated institutional accounts, may recommend or, at the client's request, facilitate a direct cross trade between two or more Ameritas affiliated accounts. Generally, these would not involve a broker acting as an intermediary, and the client(s) would direct custodians to transfer the current value of the securities between accounts as a free receipt / free delivery transaction.

Such cross trades would be driven by the affiliated clients' desire to re-balance portfolios across affiliated accounts and better position the portfolios strategically. Under these circumstances, we would ensure that the cross trades were executed in accordance with clients' Investment Policies and that they would be in all clients' best interest.

Affiliated Variable Annuity Contracts in Client Accounts

AIP clients may be advised by AIP's affiliates to purchase variable insurance products issued by ALIC or ALIC NY and underwritten by AIC. Such variable insurance products may not be acquired or held in a Private Clients, Gemini, or **Mercury** Wrap Fee Program Account, but they may be acquired separately by a common client in an AIC account. An AAS IAR may recommend commission-based accounts or products as a registered representative of AIC, fee-based accounts or services through AAS, the purchase of variable insurance products issued by ALIC, or financial services available through affiliates of AAS. AIC, an AIC Registered Representative and/or AAS IAR would receive compensation or/or commissions as a result of the sale of the insurance and other financial products, or services recommended. As a result, there is a conflict for us and AAS's IARs in recommending certain affiliated programs and proprietary products.

These affiliated variable annuities may contain a Guaranteed Lifetime Withdrawal Benefit "GLWB" rider which, if acquired before May 1, 2013, requires participation in either (i) any one of three static Asset Allocation models which may include Calvert Portfolios, including a Calvert Portfolio where AIP is the sub-advisor, or (ii) one of the three Calvert volatility managed funds where AIP is the sub-adviser for managing exchange-traded funds in the Calvert Portfolios.

For these affiliated variable annuities with GLWB riders dated on or after May 1, 2013, contract holders are required to choose one of the Calvert volatility managed funds as the sole investment.

When Calvert Variable Products are selected as an investment option in the ALIC and ALIC NY variable insurance products, ALIC receives a servicing fee from Calvert Variable Series, Inc. and Calvert Variable Trust, Inc.

Additionally, other investment options available in affiliated variable insurance products may be invested in Calvert Portfolios, including those where AIP continues to earn sub-advisory fees. In cases where AIP and AAS both earn advisory fees for assets in no-load annuity contracts issued by ALIC, the advisory fee billed to a client account by AAS will be reduced by the amount of sub-advisory fees earned by AIP.

Investors should always read the variable annuity prospectus carefully before sending money.

Asset Allocation and Fund Selection Recommendations

AAS provides fiduciaries of participant-directed retirement plans with investment advisory services through a select investment menu to prudently select and monitor their plan's designated investment alternatives. AIP provides to the RP Divisions certain investment evaluation, tracking and recommendation support and related services using scoring criteria developed and maintained by each of the ALIC and ALIC NY Retirement Plans Divisions (collectively the "RP Divisions") as well as information received from third-party data providers.

AIP has been engaged by affiliated sponsors of certain pension plans and employee benefit associations to: 1) support and assist in establishing and maintaining investment policies; 2) analyze and recommend securities and mutual fund selections within an Ameritas group variable annuity; and 3) monitor and report on performance. Investments recommended for these accounts may include Calvert Funds sub-advised by AIP. As such, a conflict of interest exists.

Other Conflicts of Interest

AIP's associates may, from time to time, make recommendations to its advisory clients relating to securities in which such associates have a personal investment. Although such recommendations are not specifically reported, AIP associates are required to obtain pre-transaction approval for personal securities transactions, initial public offerings, and private placement securities.

Certain directors and officers of AIP are also directors or officers of Affiliated Companies. Also, certain associates, including officers and directors of affiliates, are clients of affiliated Wrap Fee Programs.

AAS's IARs and associates or AIP associates may purchase or own variable insurance products issued by ALIC or ALIC NY. Securities underwritten by AIC may also be recommended to AIP clients.

AIC acts as the introducing broker-dealer and utilizes its clearing and custody relationship with NFS for services provided under for the Private Clients, Gemini, **Mercury** Programs and Ameritas Wealth Platform. AIP and AAS provide all investment portfolio advisory services. In choosing to open one of these Wrap Fee Program Accounts, the client also has chosen AIC as their broker and AIP and AAS as their investment advisers. AIP offers other asset management services for larger accounts who are not interested in a Wrap Fee Program. These arrangements would be structured more like those described in the Institutional Account sections where AIC generally is not used as a broker. In recommending participation in a Wrap Fee Program, AAS, through its IARs, is recommending AIC as broker. If a client chooses to implement securities transactions through one of these Programs, a conflict of interest exists since AIC and its associates might receive commissions or other compensation. A client is under no obligation to open a Wrap Fee Program Account and use AIC as their broker. If a client chooses another arrangement, they may pay more or less for implementation and ongoing operations of the account.

AIC provides brokerage services and AIP provides investment advisory services to our clients who invest in Wrap Fee Programs offered by AIP. AIP shares the fees generated through these programs with AAS and uses AIC as the introducing broker dealer for execution of transactions. AAS has an incentive and conflict of interest in recommending the programs of AIP over other investment advisers due to the revenue AIC receives as a broker dealer for execution of transactions, fees AAS receives for assets placed in these programs, and common ownership by our parent company. AAS does not require its 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.

As a full-service broker/dealer, AIC may handle accounts for, and may render investment broker/dealer services (including investment banking services) to other investors and institutions with respect to, and it may for its own account hold, purchase, sell or otherwise trade in and deal with, securities which are the same or similar to those recommended to other clients. Similarly, AIP and AAS may handle accounts, render investment advice and other management investment services for other investors and institutions with respect to services which are the same or similar to those recommended to other clients. AIP and AAS reserve the ability to offer investment advisory services in other programs on other terms and either may offer other programs whereby clients acquire investment advisory, brokerage, and administrative services for an all-inclusive wrap fee. Therefore, AAS and/or AIP may from time to time have a conflict regarding clients of its other services as well as its clients to whom it provides investment advisory services.

AIC may execute transactions as broker or agent for both **Mercury** accounts and other clients. In recommending participation in a Wrap Fee Program, AAS and its Investment Adviser Representatives are recommending AIC as the broker.

In affecting securities transactions in a **Mercury** Program Account, a conflict of interest exists since AIC and its associates might receive commissions or other compensation, including 12b-1 distribution fees. To the extent that AIC receives 12b-1 fees in advisory accounts, such fees will be rebated back to clients to mitigate the conflict.

Mutual funds, ETFs, and other pooled investment companies (collectively, “Acquired Funds”) are recommended for certain of these accounts and their value is included for purposes of calculating the account fee. You should understand that these Acquired Funds also pay advisory fees to their investment advisers and incur operating expenses that reduce the total return of Acquired Funds. These indirect fees and expenses are in addition to your account fee.

If you own multi-share class mutual funds in a discretionary or non-discretionary account, AIP or AAS will direct the broker/dealer, clearing firm or custodian of your account to convert the mutual fund shares you own to the lowest cost share class available to us for the same funds at no cost or tax consequences to you. Such conversions will be made without notice.

In addition, and as noted above, AIP is 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 AIP, may have direct or indirect interests in securities about which AIP and/or AIP advisory representatives may provide investment advice.

AIP will disclose all material conflicts of interest so that existing and prospective clients may evaluate their impact on any relationship.

Review of Accounts

Transactions placed through AIC accounts are regularly reviewed by AIC associates processing such transactions, and AIP reviews each account on an ongoing basis to ensure that the account is managed in accordance with stated objectives. AIP uses the Envestnet | Tamarac system’s Trading and Reporting modules that continuously monitor compliance with and alert the manager to possible violations of or drift from clients’ investment strategies that have been programmed into the system. Annually AAS’s IARs meet with each of their clients and AIP will survey accounts for any changes in the Investment Questionnaire and Asset Allocation Worksheet. AIP reviews these updates to determine whether changes may impact the suitability of investments in clients’ portfolios or would cause a revision to investment strategies.

Client Referrals and Other Compensation

The **Mercury** Program are structured such that AIP will share with AAS the single account fee. Such fees generally are deducted from client assets by AIC and allocated to each affiliate based on an agreed-upon percentage for the services provided. AAS pays their IAR a portion of the fee for recommending the Program to Investors, assisting them in developing and maintaining investment objectives and asset allocation limits, assisting Investors in completing required account opening documents, and providing ongoing financial planning.

AIC also receives distribution fees (12b-1 fees) from mutual funds in Wrap Fee Accounts. Receipt of such compensation creates a conflict of interest; therefore, if AIC acts as the introducing broker-dealer we have implemented a policy requiring that to the extent AIC receives 12b-1 fees in advisory account held with NFS, such fees will be rebated back to your account. You should verify the accuracy of your advisory fee billings when you receive your account statements.

AIC receives compensation from NFS in the form monthly trading volume discounts, monthly margin interest, transition assistance, business development credits, and payments to offset costs of AIC’s conferences and events.

AIC adds a markup to brokerage account charges and fees (“rebillable fees”) that are assessed to client accounts participating in programs that utilize NFS as clearing firm and custodian for account assets. AIP does not reduce our advisory fees to offset these costs. These revenues and compensation related to Wrap Fee Accounts custodied on the NFS platform, create substantial financial benefits to AIC and NFS.

For additional information about AAS’s compensation practices and related conflicts, please refer to AAS’s Form ADV, Part 2A Firm Brochure.

Financial Information

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about AIP’s financial condition. AIP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.