Client Relationship Guide

Transamerica Retirement Management

We'll help you plan carefully so you can retire confidently

Finding your way to a more secure future

Whether you're between jobs, nearing retirement or already retired, the financial advisors at Transamerica Retirement Management, Inc. can help by giving you clear guidance and direction about decisions that may impact your future. While many financial institutions may offer retirement planning, we specialize in helping people create a plan to retire. Our **SecurePath***Approach*SM simplifies retirement decisions, helping individuals figure out how to retire confidently and successfully.

For most people today, retirement is an exciting, exhilarating adventure. Yet like all such events, there is an element of the unknown. As you begin the transition from work to retirement, you may have some questions about your financial future, such as:

- Will my retirement assets last my lifetime?
- Can my savings outpace inflation?
- How can I lessen the impact of market changes?
- Will I be able to afford health care?

That's where we come in

Transamerica Retirement Management helps people make wise choices about how to retire so they can successfully transition to a lifestyle that fits their resources and goals. As a client, you have ready access to a team of experienced financial advisors who are Registered Representatives and Investment Advisor Representatives with Transamerica Financial Advisors, Inc. Our advisors are dedicated to helping you plan for and move through both the financial and life transitions you face on your path to and through retirement.

Trust is the foundation of the advisor/client relationship. This is why we want you to fully understand the accounts and services we offer, the benefits and costs of our approach, our responsibilities as a provider and how we help meet your needs as a client.

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Who we are

A LONG HISTORY, A STRONG PROVIDER

When you work with one of the Transamerica companies, you partner with a company that has a longstanding reputation for helping people by providing quality products and services.

About Transamerica

A.P. (Amadeo Peter) Giannini opened Bank of Italy on October 17, 1904 to serve the small businesses typically overlooked by the existing banking establishment in San Francisco. The following excerpt is from the book, *The Transamerica Story:* "He knew that banks served primarily the wealthy and prosperous and paid scant attention to small businessmen seeking help and credit. Out of these reflections grew A.P.'s dream: the creation of a bank for 'little people,' a bank whose services were accessible to all, whose stock was broadly owned by members of its community, whose mission was to promote individual and community development, and whose philosophy would recognize that the best security for a loan might often be the character and integrity of the debtor."

Transamerica Corporation was founded on October 11, 1928 as a holding company for various banking entities (including Bank of America) and to support expansion into non-banking businesses and investments. In 1930, Bank of Italy and Bank of America were merged, with the new entity called Bank of America National Trust and Savings Association (NT&SA).

After federal regulation in 1956 led the company to divest its banking businesses, Transamerica sharpened its focus on insurance and found the formula for success — building a reputation as a solid company that could be trusted.

About AEGON

Transamerica Retirement Management, Inc. is an AEGON company. AEGON N.V. is one of the world's leading life insurance and pension companies and a provider of investment products. With headquarters in The Hague, Netherlands, AEGON companies employ approximately 31,500 people worldwide. AEGON's businesses serve 40 million customers in more than 20 markets throughout the Americas, Europe and Asia, with major operations in the United States, the Netherlands and the United Kingdom.

Our values and commitment

At Transamerica Retirement Management, we help people make wise choices about how to retire so they can successfully transition to a lifestyle that fits their resources and goals. We are client-focused in everything we do, and we continually strive to provide easy access to the guidance and tools you need to move toward your goals. Because we fully understand the need for a plan that recognizes our clients' individuality, we put a priority on getting to know you: your life, your accomplishments, your goals and your vision. Only then can we know how to best help you enjoy your retirement.

Our affiliates

In building our team, we have formed agreements with many affiliated AEGON companies. Our financial advisors are Registered Representatives and Investment Advisor Representatives with Transamerica Financial Advisors, Inc., our Broker Dealer and Registered Investment Advisor. Other affiliates with which we do business include employer-sponsored retirement plan providers, Diversified Investment Advisors and Transamerica Retirement Services. In addition, we leverage long-term care insurance and life insurance professionals to help ensure you have all types of retirement specialists available to serve you and your needs.

We respect your rights

As a client, you have the right to:

- *Quality* – Our team of financial advisors is composed of qualified professionals who will act in accordance with the highest standards of competence and integrity in delivering quality products and services consistent with your individual risk tolerance, time horizon and financial goals.
- *Clarity* – Your financial advisor will communicate with you in uncomplicated, easy-to-understand terms, without jargon or financial-speak, to help you understand how to protect and manage your hard-earned savings and avoid unnecessary risks.
- *Transparency* – We will do what we can to fully and clearly inform you about any products or services your financial advisor recommends, including full disclosure of associated costs, risks and potential conflicts of interest, as well as how your financial advisor will be compensated.
- *Objectivity* – Our team of financial advisors is committed to making recommendations in your best interests.
- *Diligence* – Our financial advisors will work closely with you to gather information about your individual financial situation and life stage, and will then research suitable retirement products and services before making recommendations to you.
- *Accuracy* – We will ensure that you receive accurate, timely reports concerning your accounts with us and related transactions.
- *Trust* – Given the sensitive nature of the information you will be sharing, be assured that your financial advisor will keep your personal and financial information in strict confidence, as stated in our Privacy Policy.
- *Respect* – We will treat you with the utmost courtesy and respect.

How we can best serve you

Our success in targeting the most appropriate retirement management strategies for you depends on our having a thorough and accurate understanding of your personal financial circumstances and goals.

To foster effective communication between you and your financial advisor, we request that you:

- Keep us current on your complete financial picture, so your financial advisor can make recommendations that reflect your personal and financial situation, goals, needs and risk tolerance.
- Read all disclosure statements carefully prior to investing so you understand the inherent risks and can ask appropriate, informed questions.
- Inform us immediately of any service problem you may have with us by contacting your financial advisor, one of the team members or a team supervisor; they will assist in rectifying the problem.

Our relationships

YOUR INTERESTS COME FIRST

As a client, be assured we will always place your interests before our personal gain. Our financial advisors' sole goal is to serve you with the utmost professionalism and integrity.

The benefits of working with our team

As our client, you benefit from a team experience that puts the vast resources of a Transamerica company and other AEGON affiliates to work for you. Using the **SecurePath***Approach*SM, our advisors will give you objective guidance and help you weigh alternatives while saving you time and ensuring that all aspects of your retirement picture are covered. To accomplish this, our advisors will guide you on how to bring together your options to help make better choices about lifestyle goals, investments, health care coverage, protection needs and income strategies at the right stage on your path to retirement.

Among the many benefits of our team-based approach are:

- *Ready access* – Any of our experienced financial advisors can help you when you call, or you may request to speak with a specific advisor. They work together, so any of our financial advisors can answer your questions, carry out your transactions or offer you guidance or advice when appropriate.
- *Uniform service* – Our financial advisors work with a variety of clients in a consistent manner, focusing on meeting the needs of each individual client. As a result, you will receive the same outstanding level of service regardless of with whom you work.
- *Leveraged strengths* – Our team-based approach leverages the expertise and strengths of specialists throughout the organization. However complex or specialized your needs may be, you can have access to someone who understands and can help provide effective strategies.

Our financial advisors

To be successful in the transition to retirement, we believe you need more than information — you need a relationship. A strong relationship with our financial advisors puts information into a meaningful context, making it relevant to your personal situation and retirement objectives.

Our financial advisors focus on education and guidance. While working with them during the retirement transition phase, you'll discuss your lifestyle goals and current resources, and then customize a strategy that includes the four other elements necessary for creating a more secure plan to retire:

- Investments for growth
- Health care requirements
- Protection needs
- Income that you can rely on

Investment advisor/broker differences

It is very important that you understand how we are authorized to conduct business with regard to applicable laws and regulations. The investment advisory services and brokerage accounts offered through Transamerica Financial Advisors, Inc. can differ in other ways than those summarized on the next page. Please carefully read the product and service agreements and disclosures provided to you during the course of our relationship.

Investment advisor relationship

We can provide you with advice pertinent to the selection of investments offered through our investment advisory services.

Before we act as your investment advisor, we'll provide a written contract to you explaining the nature of our relationship and other important information. Additionally, you will receive Form ADV, Part II brochures from us and your portfolio manager, which describe our advisory services, including fees.

Investment advisory fiduciary responsibilities

When we work in the capacity of your investment advisor, we have a fiduciary relationship with you and are held to legal standards under the Investment Advisors Act of 1940 and state laws, where applicable. This Act legally requires us to:

- Disclose to you any potential conflicts between our interests and yours.
- Disclose to you whether we, or our affiliates, receive additional compensation from you or a third party as a result of our relationship with you.
- Treat you and our other advisory clients fairly and equally, refraining from giving an unfair advantage to one client if it puts another at a disadvantage.
- Recommend investments that are suitable and appropriate for your individual situation and consistent with your investment goals and tolerance for risk.
- Act at all times in what we reasonably believe to be your best interests and, in the event of a conflict of interest, place your interests first.

Broker relationship

While operating as your broker, we offer a full range of services relating to securities investments, including investment research, trade execution and custody services.

As a broker, your financial advisors can also work with you to buy, sell or hold securities. While operating as a broker, we do not make investment decisions for you or manage your accounts on a discretionary basis. We will only buy or sell securities for you when you instruct us to do so.

Broker responsibilities

We adhere to the laws set forth in the Securities Act of 1933, the Securities Exchange Act of 1934, the rules of self-regulator Financial Industry Regulatory Authority (FINRA) and state laws, where applicable.

As your broker through our affiliation with Transamerica Financial Advisors, Inc., it is our duty to work with you fairly and in accordance with the standards of the securities industry. When we execute transactions on your behalf, we are obligated to seek the most favorable terms available and charge you reasonable prices consistent with current market conditions. Likewise, our fees and charges to you cannot be excessive.

When we act as your broker, we do not enter into a fiduciary relationship with you, regardless of the brokerage account fee structure you choose. Except for special circumstances, we are not required to abide by the same legal standards that apply when we act as your investment advisor and assume fiduciary responsibilities. Therefore, while there are benefits to both the advisory and broker types of relationships, the fiduciary responsibilities inherent in working with you in an advisory capacity provide an extra layer of service.

Pricing

TRANSACTION-BASED OR ASSET-BASED

The client relationships offered by Transamerica Retirement Management can be divided into two broad styles, brokerage and advisory, each with different pricing.

Transaction-based account relationship and pricing

As a broker – When we act as your broker and conduct transactions according to your investment decisions, we are compensated for trading and execution; the guidance we may provide is considered incidental.

Under the terms of this kind of relationship, you can conduct transaction-based business with us through retirement accounts, investment accounts and other types of accounts that we offer. In this type of relationship, you pay for the services that you specify, which could include buying and selling mutual funds, annuities, other investment options or insurance products.

In a transaction-based account relationship, you would pay a commission or other fees for each transaction, which may be in the form of deferred sales charges or built-in expenses in products such as variable annuities and mutual funds. These charges are described in the product's prospectus. You should obtain a prospectus and always read it carefully before investing.

There may be other retirement planning services specific to your needs available for an additional fee. Ask our financial advisors for more details.

Asset-based account relationship and pricing

As an advisor – When we act in an advisory capacity in managed accounts, we charge a specific fee based on the value of assets under management.

It is possible that you may pay more or less in an asset-based account than you might pay if you purchased the services separately. There are several factors that can change the fees in an asset-based account, including portfolio size, product mix, management and/or administration fees, amount of trading and costs of separate services.

In an asset-based relationship, you would pay fees, rather than commissions. Fees are based primarily on the amount of eligible assets in your account(s) with Transamerica Financial Advisors, Inc. and cover a variety of services such as financial planning, ongoing investment management and other services.

All investments in our advisory offering are managed by professional portfolio managers. Our financial advisors may provide guidance to you through investor risk profiling assessments, asset allocation and ongoing consultation.

Some of our retirement management products, including our insurance products, may not be included in asset-based accounts and may carry separate charges. These charges are described in the product's prospectus. You should obtain a prospectus and read it carefully before investing.

The value of advice

In contrast with transaction-based brokerage accounts, advisory clients have the following additional services available:

- *Professional portfolio management* – Your financial advisor will work closely with you to understand your comfort level with risk and recommend an asset allocation strategy. The advisor will then help you select a professional portfolio manager. The end result is the combination of a professional portfolio manager and an experienced financial advisor working together on your behalf.
- *Annual portfolio reviews* – It's always a good idea to review your portfolio at least once a year with a financial advisor, who can help rebalance your asset allocation, if necessary, and to make sure your investments stay on track with your goals and risk tolerance.
- *Ongoing financial advice* – Our team approach offers access to the financial advice you need when you need it. Because of our holistic approach, we help you understand the emotional and financial impact of your present lifestyle and future goals. As economic currents ebb and flow, and new legislation takes effect, our financial advisors will be just a phone call away to help you assess and revise your goals, and take advantage of new financial opportunities.

Compensation of financial advisors

Our financial advisors are paid a salary to provide clients with guidance, advice and other services. They are not compensated for transactions generated by client accounts, nor do they receive a percentage of commissions or fees. *Keep in mind that advisory fees apply to advisory accounts, and trading fees and charges apply to brokerage accounts.*

Accounts and services

OPTIONS TO CONSIDER

Once you and your financial advisor determine your goals, you can create the right map to help get you there. In addition, you may wish to consider ways to manage health care costs and wealth transfer.

Professional portfolio management through an advisory services account

- This is an advisory account with asset-based pricing. When using SecurePath® Advisory Services, a financial advisor will analyze, recommend and implement financial planning strategies based on your needs, goals and risk tolerance. In addition, a professional portfolio manager will manage your individual investments and provide ongoing monitoring and rebalancing based on your risk profile. As an advisory client, the financial advisor also has the ability to perform a personalized needs analysis, build and deliver a financial plan and review the plan annually.
- The minimum account opening balance may vary based on the portfolio manager you choose.
- The annual advisory fee is inclusive of all assets held in an advisory account. See the Client Services Agreement for more details.
- Other fees may apply, as outlined in our Client Fee Schedule, Client Services Agreement and/or proposal documents.

Opportunities for growth through a full-service brokerage account

- This is a brokerage account with transaction-based pricing. Working with a financial advisor, you'll have access to a large universe of investment options in which to invest your savings, including mutual funds, stocks, bonds and U.S. Treasuries.
- We implement transactions at your direction as Registered Representatives with Transamerica Financial Advisors, Inc.
- You have access to a wide variety of mutual funds, some of which have no transaction fees.
- Other fees may apply, as described in our Client Fee Schedule.
- There is an annual account maintenance fee of $39 per year.
- The annual maintenance fee is waived if you have more than $100,000 in assets invested.

Protection for life and health care costs through insurance services

We offer a number of insurance products related to your needs in retirement, including:

- *Long-term care insurance* – Through a referral to our long-term care insurance affiliate, our advisors can assist with long-term care insurance protection. This typically helps pay for services you might need as the result of a chronic illness, accident, sudden illness or cognitive impairment.
- *Life insurance* – Term life insurance covers you for a specific period of time (or "term") that you choose. Permanent life insurance provides a lifetime of coverage, provided premiums paid are sufficient to keep the policy in force.

Our advisors can help you decide what types of accounts, products and services may be appropriate for your current and future needs. In addition, they will refer you to other retirement specialists with specific expertise to help ensure you are getting the type of service you expect and deserve.

All investing involves risk. Investments are subject to market fluctuation and possible loss of principal. Consider an investment's risks, charges and expenses before investing.

Your future — your way

Our team of experienced professionals, are committed to helping you make a smooth and successful transition to the next phase of your life.

Call us at **866-306-6343** or learn more at

TransamericaRetirementManagement.com

SecurePath*Approach*℠

Simplifying your decisions to help you transition to and through retirement

TRANSAMERICA® RETIREMENT MANAGEMENT

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