



# Ameriprise Financial Client Relationship Guide

Understanding your relationship with  
Ameriprise Financial and your financial advisor

# Ameriprise Financial takes safeguarding your accounts seriously

We understand that protecting your assets and identity is important to you. That's why we have safeguards in place to help keep your accounts safe and secure. But we can't do it alone. Follow these tips to make sure that you don't inadvertently leave yourself and your accounts vulnerable to theft.

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**Safeguard:** When you contact us, whether online at [ameriprise.com](http://ameriprise.com) or through a Client Service number, we will ask you for personal information to verify your identity. This is done for your protection.

**Tip:** Never share this type of personal identity information with others.

**Safeguard:** Your financial advisor may make transactions on your behalf with your prior written permission and following your instructions. An account statement listing all transactions will be sent to you in the manner you have requested. Additionally, with most investments and financial planning services, we will send you individual transaction confirmations. We will send you the original statement or confirmation, while a duplicate may be sent to your financial advisor.

**Tip:** It's a good practice to review every statement and confirmation you receive from us. Make sure that the transactions are accurate and have been carried out as you intended. If you have any concerns, contact your financial advisor or Client Service at 1 (800) 862.7919.

**Safeguard:** For your protection, we require that checks be made payable to an appropriate Ameriprise entity, such as Ameriprise Financial Services, Inc., or American Enterprise Investment Services, Inc.

**Tip:** Never make a check payable directly to your financial advisor or local financial advisor office.

**Safeguard:** Ameriprise Financial Services, Inc. (Ameriprise Financial), does not accept cash.

**Tip:** Your financial advisor will not accept cash. Please do not ask your financial advisor, his or her staff, or any other Ameriprise Financial employee to do so.

**Safeguard:** Checks and drafts for money market accounts and your *Ameriprise ONE*® Financial Accounts will be sent directly to the address you provided. Your financial advisor cannot receive them for you.

**Tip:** If you don't receive requested checks or drafts within 20 days of opening an account, contact Client Service.

**Safeguard:** We have a very strict policy regarding forgery. Financial advisors, their staff and any Ameriprise Financial employees are not allowed to sign any documents for you, even if you have given them permission.

**Tip:** Your financial advisor will not sign your name. Please do not ask your financial advisor to sign agreements or other forms on your behalf.

**Safeguard:** We take our responsibility to safeguard your personal information very seriously and have multiple controls in place for your protection. When using our online site to access your accounts, we require you to select three security questions and create answers that only you will know. If we ever need to confirm your identity, we will ask you to answer one of these questions. In addition, there are things you should do to protect yourself from online fraud.

**Tip:** Create unique answers to the security questions when prompted. Use the Message Center within My Financial Accounts for email communications with your advisor. Install anti-spyware, antivirus and firewall software to safeguard your personal computer. We will never ask you to provide your personal information or account information through an email message. View our Privacy and Security Center at [ameriprise.com/privacy](http://ameriprise.com/privacy) for more information.

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## Welcome to Ameriprise Financial

We are honored that you have selected Ameriprise Financial to help you plan for your goals. To help you get the most out of your relationship, we've developed this guide to clarify our roles as we work together toward your goals.

This guide contains information on:

- Our commitment to you Page 2
- Understanding your financial solutions Page 4
- Our company and how we get paid Page 16
- What we do in case of a business emergency Page 28
- Resolving issues or concerns Page 33

Please keep this guide on hand, as it contains useful information. While not all the information will apply to your specific situation, we'd like you to use this guide as a resource so you have the information you need to make informed decisions. As you consider additional products and services, please be sure to review all pertinent prospectuses and other documents.

The Ameriprise Financial Client Relationship Guide is regularly updated. The most current guide is available at [ameriprise.com/guide](http://ameriprise.com/guide).

We are committed to helping you achieve your financial goals and want you to have a positive and long-term relationship with us. If you have questions about this guide or any aspect of our relationship with you, please consult with your financial advisor.

Sincerely yours,



Kim M. Sharan  
President — Financial Planning, Retirement Wealth Strategies and Chief Marketing Officer  
Ameriprise Financial Services, Inc.

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**Investment products are not federally or FDIC-insured, are not deposits or obligations of, or guaranteed by, any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.**

Bank deposit, lending and trust products and services are provided by Ameriprise Bank, FSB, Member FDIC. Deposit products are FDIC-insured at least \$250,000 per depositor per ownership category.

**You should consider the investment objectives, risks, charges and expenses of a mutual fund, certificate, annuity or life insurance product or 529 plan carefully before investing. For a free prospectus, disclosure documents or other important information about financial products, call 1 (800) 862.7919. Read the prospectus and/or disclosure information before you purchase or invest.**

Some products and services described in this guide may not be available in all jurisdictions or to all clients.

# Our commitment to you

## **We listen**

We take the time to talk with you — to get to know your dreams and goals — now and throughout your relationship.

## **We provide personal, high-quality advice**

- Our approach is based on sound financial principles and a full view of your needs.
- We go beyond the numbers to understand your needs and provide you with clear action you can take to bring your dreams and goals more within reach.
- We tailor our advice to your personal objectives, time horizon, risk tolerance and other factors.

## **We offer an array of product solutions designed to meet your unique needs**

We believe every client should have access to a comprehensive and competitive array of products that provide:

- A thoughtful approach to managing your cash flow, including solutions for saving, spending and borrowing
- Confidence in your investment strategies — time-tested yet flexible enough for all kinds of markets
- Protection for the things that matter most
- Control over taxes and what you leave to your heirs

## **We have a long-term focus on your goals**

- The ongoing relationship between you and your advisor is at the heart of what we do, to help you track your progress and adapt to changes in your life.
- We will regularly reach out to you with meaningful information and ideas.
- We will recognize your successes and reward you for doing the everyday things that bring your goals more within reach.

## **We provide full and clear information**

You can expect us to be upfront and accurate, offering full and clear information in all areas, including:

- The benefits, material risks and costs of financial solutions we recommend
- Information about any significant conflicts of interest related to the financial relationship between you and Ameriprise Financial or your financial advisor
- Timely transaction confirmations, account statements and other communications from us, with your choice of paper or electronic delivery for many materials
- Full details of costs associated with our services and the costs related to individual transactions, including commissions, sales charges (or loads) and other fees
- Descriptions of our policies and practices for the collection, use and safeguarding of your nonpublic personal information

## **We are committed to quality service**

- We make it easy to work with us, by doing our best to anticipate your needs and provide you with intuitive, flexible ways to get what you want.
- You can expect fair, ethical and respectful treatment in all interactions with us.
- You can work with the financial advisor of your choice and request a different financial advisor if you are ever not satisfied, by calling 1 (800) 862.7919.
- You can expect fair consideration and a prompt response from us if you experience an issue or concern. If, for any reason, any issue or concern is not resolved to your complete satisfaction, you should contact your financial advisor right away. If the issue or concern is still not settled to your satisfaction, follow the additional steps outlined on Page 33 of this guide.

## Making the most of your relationship with Ameriprise Financial

### **Inform and educate yourself**

- Seek out information by asking your financial advisor questions about your financial plan, your accounts, specific transactions, risks, potential conflicts of interest, financial terminology, commissions, sales charges or fees.
- If you don't understand the purpose of a recommendation by your financial advisor, ask questions until you fully understand.
- Read thoroughly all sales literature, prospectuses, account agreements, policies or contracts, and, when available, other offering documents before making financial decisions. Consider carefully all risks, fees and other factors explained in these documents. Remember, every investment has some degree of risk, and it is possible to lose money on any investment.
- Ask your financial advisor how you may be able to manage these risks. Some examples of important risks relate to market fluctuations, inflation rates, credit ratings of bond and securities issuers, tax issues, currency-exchange rates with international investments, the liquidity of your investments, and withdrawal rate risk.
- Withdrawal rate risk is especially critical if you are preparing for or are in retirement and is a major factor in how long your assets will last. Even when your portfolio is appropriately structured and your investments are performing well, we recommend that you consider several factors when deciding how or when to withdraw your money. In general, your age, your life expectancy, and the type and amount of your investments will help you determine the best way to access your money. Periodically reviewing your retirement income strategy with your financial advisor can help you plan for and manage this risk over time.

### **Communicate with your financial advisor**

- Provide complete and accurate information about your financial situation, goals and risk tolerance, so your financial advisor can provide you with appropriate planning advice and recommendations.
- Review your financial plan and portfolio regularly and whenever you experience a significant change in your life. You may also want to make appropriate changes based on the performance of your investments.

- Notify your financial advisor promptly whenever there is a significant change in your life, for example, if your financial goals, income or net worth changes.
- Tell your financial advisor about mutual fund holdings you own outside of Ameriprise Financial, so that your financial advisor can make sure that you receive any applicable “breakpoint” discount.

### **Keep your accounts current**

- Work with your financial advisor to ensure you have adequate cash holdings or available margin-buying power in your investment account. When buying securities, withdrawing money from your account or paying for fees, having adequate cash on hand will make these processes faster and easier.
- Review all transaction confirmations and account statements or reports carefully. If you find an error or discrepancy, please promptly contact your financial advisor or call us at 1 (800) 862.7919.
- When things change — like your address, other contact information or even beneficiary designations — let us know right away. That way, we can always stay in touch and in tune with your wishes.

### **Use the right resources — carefully**

- Understand that Ameriprise Financial does not provide legal or tax advice, so you should consult an attorney or a tax advisor for tax or legal questions.
- Keep in mind that you are fully responsible for all your financial decisions.
- Consider carefully the validity and reliability of financial and investment information obtained from all sources, especially unsolicited information obtained over the internet.
- The opinions of your financial advisor should never be interpreted as a guarantee of future performance or rate of return.
- It's important to understand that the manner in which your advisor is compensated — described later in this guide — may create a potential conflict of interest. We believe it's in everyone's best interest to know about potential conflicts of interest upfront. To that end, if you have any questions about conflicts of interest after reading this guide, your financial advisor is available to discuss them with you.

# Understanding your financial solutions

As you begin pursuing your financial goals, it is important to understand the features as well as the fees, costs and other factors associated with the products and services you may purchase. While not all the information will apply to your specific situation today, we encourage you to refer to this information whenever you purchase new products or services.

## Our products and services

### Financial planning

#### Financial planning service

At the core of our financial planning relationship is our *Dream > Plan > Track >*<sup>®</sup> approach. Through this process, we will help you plan for your dreams and goals based on an integrated view of your financial life, create a written plan with personalized recommendations and track your progress over time.

*Be sure to read the following document provided by your financial advisor before purchasing:*

*Ameriprise Financial Planning Service Client Disclosure Brochure and Ameriprise Financial Planning Service Agreement*

#### Ameriprise Financial Planning Service fees

Fees are determined by the complexity of your situation and your financial advisor's financial planning service fee schedule. When you participate in ongoing financial planning, the fee is annual. The fee that you pay in the first year of service may differ for services in ongoing years. You also have the option to engage in a consolidated advisory fee relationship for which you will pay a single asset-based fee for Managed Accounts Service(s) and Financial Planning Service.

#### Other things to consider

The initial meeting is free of charge and is an opportunity to get to know your financial advisor and share your dreams and goals.

In most cases, you may need only one agreement, amended as needed for fee changes, relating to your ongoing financial planning services.

Your financial plan is portable. You can take action on your plan by purchasing products and services through Ameriprise Financial or another financial services provider.

Over the course of your relationship with Ameriprise Financial, you may work with more than one financial advisor. If for any reason your financial advisor does change, we will work with you to ensure that your needs are met during that transition. At all times, we remain committed to helping you achieve your financial goals.

### Accounts

#### Transaction-based brokerage account

Many of the products you purchase are held in your Ameriprise<sup>®</sup> Brokerage account or Ameriprise ONE<sup>®</sup> Financial Account.

*Be sure to read the following document provided by your financial advisor before purchasing:*

*Ameriprise Brokerage Client Agreement*

*Other Important Brokerage Disclosures*

#### Brokerage fees

**Transaction charges.** You may pay commissions, sales charges and/or other fees on products purchased and sold in your brokerage account.

**Quarterly fee.** The quarterly account maintenance fee will be deducted directly from the cash balance in your account (this fee may be waived under certain circumstances).

**Service fees.** Fees, if applicable, will be deducted directly from the cash balance in your account (e.g., wire transfers and returned check fees). For a complete list, refer to the fee schedule in your client agreement.

**Interest on margin account.** You will be charged interest on the outstanding balance if you have a margin account.

**Transaction-based brokerage account**  
continued

**Other things to consider**

- You will not be charged an annual asset-based fee on products held in a brokerage account.
- Your quarterly brokerage account maintenance fee or applicable service fees may be reimbursed under certain circumstances — for example, the quarterly account maintenance fee is reimbursed when you or your household maintains a certain account balance. In addition, under certain circumstances your financial advisor has the ability to reimburse your account for service fees or account maintenance fees through a program made available by Ameriprise Financial.

To learn more about available reimbursements, talk with your financial advisor.

**Managed Accounts**

Ameriprise Financial offers an investment advisory asset-based service — **Ameriprise Managed Accounts**. Within Managed Accounts you may choose one or more of the following investment solutions:

- **Nondiscretionary mutual fund advisory accounts** provide you access to a broad array of mutual funds and other publicly traded securities. You can bring all your investments together into one coordinated and flexible portfolio allocated according to your investment needs, with the added benefits of ongoing financial advice and portfolio reviews.
- **Discretionary mutual fund advisory accounts** are a family of mutual fund portfolios overseen by professional investment managers who provide investment selection, asset allocation and dynamic reallocation.
- **Separately managed accounts (SMAs)** give you access to high-quality professional investment managers and let you enjoy the benefits of working closely with your Ameriprise financial advisor to select the SMA strategies that are right for you. In addition, SMAs allow you direct ownership of securities, providing greater transparency of holdings as well as personal tax management opportunities.
- **Unified managed accounts (UMAs)** are innovative investment vehicles that can hold separately managed accounts (SMAs), mutual funds and exchanged-traded funds (ETFs) in a single account. UMAs give you access to top investment managers at lower asset levels, all in one unified account.

*Be sure to read the following documents provided by your financial advisor before purchasing:*

- *Ameriprise Managed Accounts Client Disclosure Brochure*, or if you have elected to pay a consolidated advisory fee, the *Ameriprise Managed Accounts and Financial Planning Service Combined Disclosure Brochure*, and associated client agreement(s)
- *Ameriprise Brokerage Client Agreement*
- *Other Important Brokerage Disclosures*
- Any applicable portfolio/strategy profiles
- Any applicable investment manager disclosure brochures

**Advisory service fees**

**Annual asset-based fee.** For each investment service available within Managed Account services, you pay an annual asset-based fee based on the services provided and the assets held within your account(s). This annual fee is generally paid on a monthly or quarterly basis.

**Service fees.** Fees, if applicable, will be deducted directly from the cash balance in your account (e.g., wire transfers and returned check fees). A complete list can be viewed online at [ameriprise.com/brokeragefees](http://ameriprise.com/brokeragefees).

**Interest on margin account.** You will be charged interest on the outstanding balance if you have a margin account.

**Other things to consider**

- You will not be charged a brokerage account maintenance fee or pay sales charges on products in Managed Accounts Services. You will indirectly pay the expenses of the underlying products as described later in the product overviews.
- Should you purchase both financial planning services and a fee-based investment advisory account, it is important that you understand what you are paying for — financial planning services, investment advisory account services or both. If you enroll in both, you can choose to pay separate and distinct investment advisory fees for each service or you may have a consolidated advisory fee relationship for which you will pay a single asset-based fee for both services.
- A discretionary account is one in which you give an investment advisor written authority to buy and sell securities in your account without obtaining your consent for each specific trade. In a nondiscretionary account, your financial advisor must obtain your consent before a transaction is executed on your behalf.

## Accounts (continued)

### Individual retirement accounts (IRAs)

An IRA is designed to help you save for your retirement. The Internal Revenue Service (IRS) restricts the amount you can contribute or withdraw (without penalty) from an IRA. Ameriprise Financial offers a variety of IRAs, including traditional IRAs, Roth IRAs, Simplified Employee Pension (SEP) IRAs and more.

*Be sure to read the following documents provided by your financial advisor before purchasing:*

*Your guide to IRAs*

*Your guide to Roth IRAs*

*Your guide to SIMPLE IRAs*

### Periodic fees and expenses

You may be required to pay an **annual IRA custodial fee** in addition to the fees and expenses related to your account and underlying investments.

**Service fees.** Fees, if applicable, will be deducted directly from the cash balance in your account (e.g., wire transfers, returned check fees). A complete list can be viewed online at [ameriprise.com/brokeragefees](http://ameriprise.com/brokeragefees).

### Other things to consider

- Traditional IRAs offer tax-deferred growth of any earnings and may permit tax-deductible contributions.
- Roth IRAs offer the opportunity for tax-free growth of any earnings but do not permit tax-deductible contributions.

IRAs are available through either a transaction-based brokerage account or a fee-based investment advisory account. We may waive your annual IRA custodial fee for life if you attain Ameriprise *Achiever Circle Elite* status. The annual custodial fee waiver does not waive fees or sales charges related to your transaction-based brokerage or fee-based investment advisory account or to the underlying investments within your IRA. To ensure that you are obtaining all available waivers, please talk with your financial advisor.

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### 529 plans

A 529 plan is a tax-advantaged savings plan designed to encourage saving for future college costs. Earnings in 529 plans are subject neither to federal tax nor, in most cases, state tax, as long as withdrawals are used for eligible college expenses, such as tuition and room and board. Ameriprise Financial offers a variety of 529 plans from several different fund families, including plans in some of the states offering a tax benefit on 529 contributions.

*Be sure to read the following document provided by your financial advisor before purchasing:*

*529 Plan's Official Statement*

### Sales charges

Depending on the share class you purchase, you may pay a **front-end load** or a **back-end load**. See "Mutual funds" on the following page.

### Periodic fees and expenses

The following fees may be charged by the 529 plan sponsor:

- **One-time enrollment fee**, usually under \$50, is paid to the 529 plan sponsor.
- **Annual maintenance fee** may be reduced or eliminated based on certain criteria (e.g., for systematic purchases or maintaining a certain minimum balance).

In addition, there are:

- **Administration/management fees**, a percentage of daily net assets is paid monthly to the 529 plan sponsor for investment management and administrative services provided to the program.
- **Expenses of underlying funds** are paid indirectly through "Periodic Fees and Expenses" charged by the underlying mutual funds in which your 529 plan invests. See "Mutual funds" on the following page.

### Other things to consider

Favorable state income tax treatment and benefits for investing in a 529 plan may be available only if you invest in a 529 plan offered by the state in which you pay taxes. Benefits vary from state to state. For more information, consult with a qualified tax advisor or contact the 529 plan for the state in which you pay taxes.

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## Investment products

### Stocks, bonds, options and structured products

A wide range of individual securities, including stocks, bonds, options and structured products, is available when you establish a transaction-based brokerage account or a fee-based investment advisory account.

*Be sure to read the following documents provided by your financial advisor before purchasing:*

- Ameriprise Brokerage Client Agreement
- Other Important Brokerage Disclosures
- Applicable structured product disclosure document and Risk Acknowledgement Form

*If purchasing in a managed account, also read:*

*Ameriprise Managed Accounts Client Disclosure Brochure and/or Ameriprise Advisory Account Informational Brochure and associated client agreement(s)*

### Mutual funds

We currently sell mutual funds from more than 250 fund families through a transaction-based brokerage account and through certain fee-based investment advisory accounts. These fund families include the Columbia Funds (including funds branded Columbia, Columbia Acorn, RiverSource, Seligman and Threadneedle) (“Columbia Funds”), which are managed by Columbia Management Investment Advisers, LLC (Columbia Management Investment Advisers), or Columbia Wanger Asset Management, LLC (Columbia Wanger), our affiliates.

*Be sure to read the following documents provided by your financial advisor before purchasing:*

- Prospectus(es) of funds in which you may want to invest
- *An Investor’s Guide to Purchasing Mutual Funds Through Ameriprise Financial* (found at [ameriprise.com/funds](http://ameriprise.com/funds))

*Another useful source of information:*

Check out the Fund Analyzer at the Financial Industry Regulatory Authority website at [finra.org](http://finra.org) to help you determine the share class you may be eligible for and want to purchase.

### Sales charges

If purchasing securities through a transaction-based brokerage account:

- At the time of purchase, you may pay a commission, transaction fee or markup on securities purchased.
- At the time of sale, you may pay a flat-rate commission, a markdown or a transaction fee on the security sold.

The product commissions do not apply to securities purchased within a managed account, although you pay an annual asset-based fee.

### Sales charges

If purchasing mutual funds through a transaction-based brokerage account, one of the following fees will apply:

- **Time of purchase: a front-end load** of up to 5.75% on mutual fund Class A shares
- **Time of sale (or “redemption”):** a back-end load (or “contingent deferred sales charge”) on some mutual fund share classes you sell within a certain period
- **No-load:** a no-load mutual fund does not have time-of-purchase or time-of-sale fees

If purchasing mutual funds through a fee-based investment advisory account, the above sales charges (front- or back-load) do not apply, although you will pay an annual asset-based fee (as described in the account overview section).

### Periodic fees and expenses

You indirectly pay a fund’s “operating expenses,” which are paid from the general assets of the fund. These fees reduce investment performance. Operating expenses may include the following fees (as disclosed in the fee and expense table of each fund’s prospectus):

- **Management fees** are paid from the fund to the fund’s investment advisor for services including research, portfolio manager and trader compensation, and technology and related administrative services.
- **Distribution and shareholder servicing (12b-1) fees** are paid by the fund to the fund’s principal underwriter for distribution and marketing-related expenses and ongoing shareholder services. The principal underwriter typically pays a portion of these fees to dealers and their financial advisors who sell the funds and service shareholders of the fund. We receive these fees and pay a portion of these fees to financial advisors who sell funds and service fund shareholders.
- **Other expenses** typically include other operating fees and expenses paid by the fund including administration, transfer agency, custodial and other nonadvisory fees.

Continued on next page

Funds also pay **portfolio transaction costs**. These include brokerage commissions paid to brokers for trading portfolio securities held in the fund. Funds also pay implied commissions (or “markups”) for principal transactions (e.g., transactions made directly with a dealer) in most fixed-income securities and options or other derivatives. These costs are in addition to the operating expenses described above.

Funds that invest in other funds (underlying funds), including “funds of funds,” incur fees and expenses associated with owning shares of the underlying funds (acquired fund fees and expenses).

**Other things to consider**

- Mutual funds are offered in different share classes — usually Classes A, B and C and no-load and various institutional classes. The classes differ in sales charges and ongoing fees. The right share class for you typically depends on things like how long you plan to hold the fund, the amount you are able to invest, the expenses you pay and whether you qualify for breakpoint discounts. Certain classes offered by a mutual fund may be available only to qualifying investors.
- Many mutual fund companies offer breakpoint discounts if you invest over a certain dollar amount. These discounts may be based on your current purchase or on your total holdings in the fund family, including the holdings of your family or household members. Certain account types, such as retirement plan accounts, may be eligible for discounts and waivers. To ensure that you are obtaining all available discounts and waivers, please talk with your financial advisor or check the fund’s prospectus or website.

**REITs and alternative investments**

Ameriprise Financial offers alternative investment solutions that include nontraded real estate investment trusts (REITs), hedge fund offerings, managed futures funds, 1031 exchanges/tenant-in-common (TICs) and mutual funds with alternative strategies. Your financial advisor can provide more information about alternative investments upon request.

Ameriprise Financial offers publicly registered, nontraded REITs, otherwise known as a type of “direct investment.”

Direct investments are investment programs that pool individual funds to acquire assets such as real estate. Direct investments may provide income flows to clients in the form of monthly or quarterly dividends based on the rent or mortgage payments, may provide capital appreciation through growth, or may provide a combination of both income and capital appreciation.

*Be sure to read the following documents provided by your financial advisor before purchasing:*

- REIT prospectus
- At the time of purchase, be sure to review with your financial advisor the following section of the Direct Investment Application for Nontraded Real Estate Investment Trusts (REITs): Client Review of Risks and Suitability Requirements (Part 5).

**REIT**

Fees paid to the REIT and its affiliates will reduce the amount of cash available for investment in properties. The list of fees that an investor will typically pay with an investment in a nontraded REIT includes, but is not limited to:

- Selling commissions
- Dealer-manager fees
- Marketing support fees
- Organization and offering expenses
- Acquisition fees
- Technology costs
- Ongoing investment management fees

A further description of these expenses can be found in the REIT prospectus.

**Other things to consider**

- Direct investments are not right for all investors. There are net-worth and income thresholds you must meet, which vary from state to state and by type of direct investment and investor age.
- Shares of REITs are highly illiquid investments and not traded on a public stock exchange. There is no formal secondary market for nontraded REITs. These are long-term investments with a time horizon of seven to 10 years. Redemption programs vary by REIT issuer and are limited. It may be difficult to liquidate your investment.

**Face-amount certificates**

Ameriprise Face Amount Certificates offer interest earnings on your original investment — without a sales charge. Investing in face-amount certificates entitles you to receive, at the end of a stated period, an amount equal to the amount you invest, plus interest at rates we determine. The rates we determine will be established and communicated to you at the time of purchase unless they are based upon the return of a market index.

*Be sure to read the following document provided by your financial advisor before purchasing:*

*Ameriprise Certificate Prospectus*

**Periodic fees and expenses**

**Withdrawal penalty.** If you withdraw money over a predetermined level, a penalty may be deducted from your account balance.

**Advisory and services fees** are paid by the certificate company to the company's investment adviser, Columbia Management Investment Advisers, LLC, for managing certificate assets and providing other services to the certificate company.

**Distribution fees** are paid by the certificate company to Ameriprise Financial for the distribution of *Ameriprise Face Amount Certificates*.

**Other expenses**, such as record keeping, accounting, regulatory reporting, audit, legal, custodial, securities lending and other non-investment-related services necessary to operate the certificate company.

Any withdrawal penalties will be paid from your account. The other fees and expenses are paid by the certificate company and will not be charged to your account.

**Other things to consider**

Though *Ameriprise Face Amount Certificates* are not FDIC-insured, are not deposits or obligations of, or guaranteed by, any banking institution, and involve investment risks, including possible loss of principal and fluctuation in value, federal law requires that we back our face-amount certificates dollar for dollar with cash and qualified investments.

### Variable annuities

Variable annuities offer lifetime income options, death benefit guarantees and optional living benefits. All guarantees are based on the continued claims-paying ability of the issuing company and do not apply to the performance of the variable subaccounts, which will vary with market conditions. Money you allocate to the variable subaccounts will fluctuate in value, depending on the investment performance of the underlying funds or funds of funds. You may also allocate contract value to an account that earns a guaranteed fixed rate of interest.

Variable annuities are tax-deferred, which means that, in general, income earned on your contract value grows tax-deferred until you make withdrawals or begin to receive payouts.

Features and benefits, as well as costs and expenses, will vary depending upon the annuity product purchased.

*Be sure to read the prospectuses for the variable annuity and underlying funds provided by your financial advisor before purchasing.*

*If your annuity is an IRA, you should also read:*

*Your guide to IRAs*

### Sales charges

You may pay a **surrender** (i.e., withdrawal) **charge** on a full or partial surrender of an annuity contract. Each purchase payment you make to a contract generally has a surrender charge that decreases over a specified period of time. Your contract may have a withdrawal provision that allows you to take out a portion of your money free of surrender charges. Surrenders prior to your reaching age 59½ may also be subject to an additional 10% IRS penalty.

### Periodic fees and expenses

- **Mortality, expense administration and distribution risk fees** are charged daily against the unit values of the subaccounts and are intended to cover the mortality and expense risks that the insurance company assumes.
- **Contract administrative charges** are assessed annually or upon surrender against contracts with less than a stated value and are intended to cover costs associated with establishing and maintaining your contract.
- **Rider fees.** Variable annuities provide optional features or benefits, called “riders,” that are available for an extra charge. Fees for these riders are generally deducted from your contract value annually.
- **Expenses of underlying funds.** You indirectly pay the fees and expenses charged by the underlying fund when you choose subaccounts that invest in underlying funds. The types of fees and expenses associated with the underlying funds are similar to those described under “Mutual funds.” Keep in mind that the funds available through a variable annuity or variable life insurance product are not publicly traded retail mutual funds.

### Other things to consider

- **Variable annuities are insurance products that are complex long-term investment vehicles subject to market risk, including the potential loss of principal invested. Before you invest, be sure to ask your financial advisor about the variable annuity’s features, benefits, risks and fees and whether the variable annuity is appropriate for you, based upon your financial situation and objectives.**
- Some annuity contracts may be subject to a market value adjustment that could result in gain or loss of principal when taking a withdrawal.
- When you use an annuity within a tax-deferred retirement plan, such as an IRA, the annuity does not provide any additional tax-deferred benefit. Consult with your financial advisor or tax advisor regarding additional benefits an annuity may offer.

## Annuities and insurance (continued)

### Fixed annuities

Fixed annuities are tax-deferred, which means that, in general, income earned on your contract value grows tax-deferred until you make withdrawals or begin to receive payouts. They are designed to meet long-term retirement and other long-range goals. In return for making one or more purchase payments, you earn a fixed rate of return, which is guaranteed by the insurance company. All guarantees are based on the continued claims-paying ability of the issuing company.

### Sales charges

You may pay a **surrender** (i.e., withdrawal) **charge** on a full or partial surrender of an annuity contract. Each purchase payment you make to a contract generally has a surrender charge that decreases over a specified period of time. Your contract may have a withdrawal provision that allows you to take out a portion of your money free of surrender charges. Surrenders prior to your reaching age 59½ may also be subject to an additional 10% IRS penalty.

### Other things to consider

- When you use an annuity within a tax-deferred retirement plan, such as an IRA, the annuity does not provide any additional tax-deferred benefit. Consult with your financial advisor or tax advisor regarding additional benefits an annuity may offer.
- Fixed annuities are long-term insurance products. Before you purchase, be sure to ask your financial advisor about the annuity's features, benefits and fees and whether the annuity is appropriate for you, based on your financial situation and objectives.

### Disability income insurance

Disability income insurance generally provides monthly income benefits when you are unable to work due to a disabling injury or illness, as described in the policy.

### Premiums

Your premium covers all costs and expenses associated with a disability income insurance policy and any riders you may have added.

### Other things to consider

Certain coverage exclusions may apply.

### Variable life insurance

Variable life insurance provides life insurance protection on the life of the insured and has the potential to build value by allocating a portion of your premiums in either a fixed account that earns interest or variable subaccounts that invest in underlying funds.

Money you allocate to the variable subaccounts will fluctuate in value depending on the investment performance of the underlying funds.

*Be sure to read the prospectuses for the variable insurance product and underlying funds provided by your financial advisor before purchasing.*

### Sales charges

A sales charge is deducted from each premium you pay. A deferred sales charge, or **surrender charge**, may be deducted from policy values if you take a full surrender or if the policy lapses.

### Periodic fees and expenses

- **Mortality and expense risk fees** are charged daily against the unit values of the subaccounts and are intended to cover the mortality and expense risk that the insurance company assumes.
- **Cost of insurance** is deducted monthly from the policy value to provide the death benefit.
- **Policy fees** are deducted monthly from the policy value to cover expenses for underwriting, issuing and maintaining policy records.
- **Rider fees.** Life insurance policies provide optional coverage features called "riders" that are available for an extra charge. Rider fees are deducted monthly from the policy value.

Continued on next page

**Variable life insurance (continued)**

- **Expenses of underlying funds.** You indirectly pay the fees and expenses charged by the underlying fund when you choose subaccounts that invest in the underlying funds. The types of fees and expenses associated with the underlying funds are similar to those described under “Mutual funds.” Keep in mind that the underlying funds similar to those available through a variable annuity or variable life insurance product are not publicly traded retail mutual funds.

**Other things to consider**

- **Variable life insurance is a complex vehicle that is subject to market risk, including the potential loss of principal invested. Before you invest, be sure to ask your financial advisor about the variable life insurance policy’s features, benefits, risks and fees and whether variable life insurance is appropriate for you, based on your financial situation and objectives.**
- Surrenders, loans and withdrawals may cause a permanent reduction of policy cash values and death benefits, may negate any guarantee against lapse, and may cause the policy itself to lapse.

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**Universal life insurance**

Universal life insurance is a form of permanent life insurance with flexible premiums, flexible face and death benefit amounts, and unbundling of the pricing factors (i.e., mortality, interest and expenses).

**Sales charges**

A sales charge is deducted from each premium you pay. A deferred sales charge, or **surrender charge**, may be deducted from policy values if you take a full surrender or if the policy lapses.

**Periodic fees and expenses**

- **Cost of insurance** is deducted monthly from the policy value to provide the death benefit.
- **Policy fees** are deducted monthly from the policy value to cover expenses for underwriting, issuing and maintaining policy records.
- **Rider fees.** Life insurance products often provide optional coverage features, called “riders,” that are attached to the policy and are available for an additional fee. Rider fees can be deducted from your policy value on a monthly basis.

**Other things to consider**

- Surrenders, loans and withdrawals may cause a permanent reduction of policy cash values and death benefits, may negate any guarantee against lapse, and may cause the policy itself to lapse.
  - Be sure to ask your financial advisor about the life insurance policy’s features, benefits and fees and whether the life insurance is appropriate for you, based upon your financial situation and objectives.
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## Annuities and insurance (continued)

### **Traditional life insurance**

Traditional life insurance refers to whole and term life insurance policies that pay a specified sum to a beneficiary upon death of the insured and, in the case of term insurance, during a defined period of time.

### **Premiums**

The primary costs and expenses associated with a term life or whole life policy are included in the premium you pay. Life insurance products often provide optional coverage features, called “riders,” that are attached to the policy and are available for an additional fee.

### **Other things to consider**

- For whole life insurance policies, loans and withdrawals may cause a permanent reduction of policy cash values and death benefits, may negate any guarantee against lapse, and may cause the policy itself to lapse. Loans and withdrawals are generally not available in term life insurance policies.
- Be sure to ask your financial advisor about the life insurance policy’s features, benefits and fees and whether the life insurance is appropriate for you, based upon your financial situation and objectives.
- If you wish to use your policy for liquidity needs, your options may include a policy loan, a withdrawal from the policy, surrender of the policy or a life settlement. Each of these options will have its own benefits and, potentially, certain disadvantages based on your individual needs and circumstances. Please consult with your financial, legal and tax advisors to help decide the option that is best for you.

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### **Ameriprise Auto & Home Insurance**

Our affiliates, IDS Property Casualty Insurance Company and/or, in certain states, Ameriprise Insurance Company, De Pere, Wis., offer auto, homeowners, personal liability umbrella and travel insurance.

All costs and expenses associated with an auto, homeowners or personal liability umbrella insurance policy are included in the premium you pay based on the payment option selected.

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### **Third-party insurance products**

RiverSource Life is our primary insurance provider, offering a competitive suite of permanent life insurance (variable universal life, variable survivorship, universal life and fixed survivorship), term life and disability solutions. In certain situations where the client’s needs may be met more effectively by another company’s product, Ameriprise financial advisors may offer insurance products, including long-term care insurance, issued by unaffiliated insurance companies. Some life insurance products may be offered only by certain Ameriprise financial advisors.

Costs and expenses will vary depending on the product purchased.

**Long-term care insurance** needs may be an important consideration in a financial plan because this type of insurance can help protect your assets from expenses associated with nursing home care, home health care, adult daycare, or assistance with day-to-day activities due to accident or illness in your later years.

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## Other products

### Banking products and services

Some Ameriprise Financial programs and accounts provide access to deposit products and services (e.g., checking, savings, CDs and money market deposit accounts), credit cards, lending products and services (e.g., mortgages, home equity loans and lines of credit), and personal trust services. Financial advisors may not arrange for, promote, suggest or permit a client to use mortgage, home equity or other bank loan proceeds to purchase securities or other investment products offered by the financial advisor. With the exception of the Ameriprise Home Ownership Accelerator® program, you may not use proceeds of any Ameriprise Financial Services, Inc., recommended bank lending product to purchase investments. We reserve the right to cancel your Ameriprise Bank product at any time if we believe you violated this requirement.

Investment products provided through Ameriprise Financial are not federally or FDIC-insured, are not deposits or obligations of, or guaranteed by, any banking institution, and involve investment risks including possible loss of principal and fluctuation in value. These banking products and services are provided by Ameriprise Bank, FSB, Member FDIC, an Equal Housing Lender.



### Periodic fees and expenses

Charges may apply to deposit products and services in certain instances, such as account overdrafts.

For lending products and services, interest charges and various fees may apply, including loan origination and closing fees.

For personal trust services, you pay an annual administrative fee and/or a monthly asset-based trust fee based on the amount of assets held in trust. For irrevocable life insurance trusts, you may pay an initial setup fee and an annual fixed fee.

For a complete list of fees and charges related to these banking products and services, refer to the appropriate agreement or other offering materials.

## Additionally, you should understand that:

Currently, *Ameriprise* Face Amount Certificates may be purchased or sold only through Ameriprise Financial. Because *Ameriprise* Face Amount Certificates may only be purchased through Ameriprise Financial, if you elect to close your account, your only option is to redeem your *Ameriprise* Face Amount Certificates, paying any applicable withdrawal penalty. Please be aware that transactions in taxable accounts may generate a taxable event and may result in an increased tax liability.

The Columbia Funds are part of the RiverSource family of funds; are distributed by Columbia Management Investment Distributors, Inc., and may be purchased only from financial institutions authorized by Columbia Management Investment Distributors, Inc. (authorized financial institutions), including Ameriprise Financial, Securities America, Inc. (Securities America), and a number of unaffiliated financial institutions. If you set up an account at an unaffiliated financial institution, you will not be able to transfer Columbia Fund holdings to that account unless that financial institution is an authorized financial institution that has entered into a selling agreement with Columbia Management Investment Distributors, Inc. If you set up an account with an unaffiliated financial institution that does not have such a selling agreement, you must either maintain your Columbia Fund holdings with Ameriprise Financial, Securities America or the authorized financial institution; find another authorized financial institution; or sell your shares, paying any applicable contingent deferred sales charge(s).

Currently, *RiverSource* variable annuities may be purchased only through Ameriprise Financial. *RiverSource* fixed annuities are also available through unaffiliated financial institutions. *RiverSource* life insurance policies may be purchased only through Ameriprise Financial. *RiverSource* annuities and *RiverSource* life insurance are issued by RiverSource Life Insurance Company and, in New York only, by RiverSource Life Insurance Co. of New York. If you choose to leave Ameriprise Financial, any *RiverSource* life insurance policy and certain *RiverSource* annuities you purchased through Ameriprise Financial cannot be transferred to your new financial services provider, although it may be possible to exchange your policy; however, the currently sold **RiverSource**® RAVA series of variable annuities can be transferred to your new financial services provider. Your contract will remain active as long as you continue to make purchase

payments and premium payments directly to the issuing insurance company. We can appoint a new Ameriprise financial advisor to your contract(s) for servicing, or you may work directly with Client Service. Remember to always consult a tax advisor regarding possible tax implications for your specific situation.

Some products and services, including variable annuities and life products issued by third parties, may be offered by only certain Ameriprise financial advisors. Clients are encouraged to discuss with their advisors the differences in the products and advisor compensation, as some issuers, including RiverSource, may pay higher compensation than others.

## Information relating to your household

We use information concerning your primary household group's investment, insurance and annuity products to provide a consolidated statement. A primary household group may consist of an individual client, his or her spouse or domestic partner, and their unmarried children under age 21 who reside at the same address. For certain products and services, the householding of your accounts may help qualify you for advantageous pricing or fees. Please contact Client Service at 1 (800) 862.7919 if you prefer to have a statement covering only accounts that you own and not to participate in householding.

## Information relating to payments made to Ameriprise for deposit

Checks made payable to Ameriprise or its affiliates may be converted to a substitute payment image under Check 21 or to an electronic debit processed via ACH (Automated Clearing House) for purposes of efficient payment processing. You will notice this method of payment processing by viewing the check image or payment processed on your personal bank account. If the check processes electronically, your checking account will be debited for the amount of the check and the debit will appear on your checking account statement. You may elect to not have your check converted to an ACH file, by contacting our customer service department.

# Our company and how we get paid

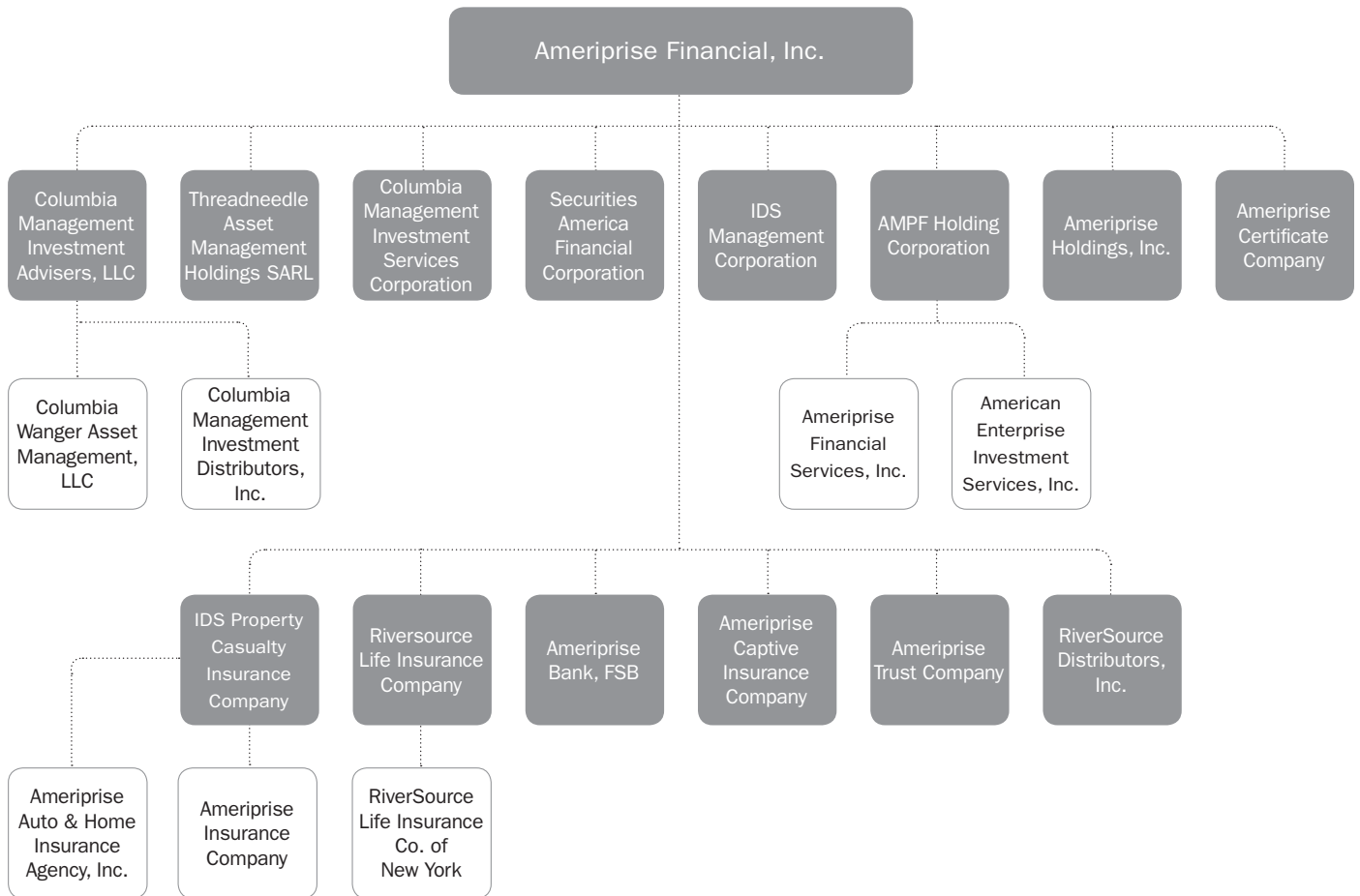
## Our company

To help you understand the relationship among the Ameriprise Financial, Inc., companies and to describe how we get paid, our corporate structure is outlined below.

You have become a client of Ameriprise Financial Services, Inc. (shaded in gray below). Many of our affiliates provide products that you may have the opportunity to choose from or will provide services to you over the course of your relationship with us (e.g., RiverSource annuities and RiverSource insurance products are issued by RiverSource Life Insurance Company and, in New York only, by RiverSource Life Insurance Co. of New York). Depending on the

products and services you choose, you may receive account statements or other correspondence from these companies. As you read further, “we,” “our” and “us” refer to Ameriprise Financial Services, Inc.

The Threadneedle group of companies constitutes the international investment platform for Ameriprise Financial, Inc. The group consists of wholly owned subsidiaries of Ameriprise Financial, Inc., and provides services independent from Ameriprise Financial Services, Inc., including the Ameriprise Financial Services, Inc., broker-dealer business.



## How we get paid

Ameriprise Financial Services, Inc., and its affiliates receive revenue from several different sources on the products and services you purchase. These sources include the fees and charges you pay, other arrangements we have in place with product companies, and investment and interest income. The revenue generated or received supports, in part, the development of new products, maintenance of our infrastructure, and retention of employees and financial advisors. Further on in this section you will find information on how our financial advisors are paid.

### Revenue sources for Ameriprise Financial Services, Inc.

#### Payments from clients

##### Financial planning and advisory service fees

These are fees you pay for financial planning and fee-based investment advisory account services, respectively.

##### Sales charges

Sales charges, commissions and/or selling concessions are paid when you buy or sell mutual funds, 529 plans, stocks and bonds, closed-end funds, REITs, Business Development Companies, and structured products. These charges vary by product and product type. For example, the sales charge for a stock mutual fund is typically greater than that for a bond mutual fund. When you buy REITs, the charge you pay may also include a portion of the distribution, organization and offering fees and expenses.

##### Periodic fees

Periodic fees include IRA administrative fees, brokerage fees (i.e., account maintenance fees), and a portion of the fees associated with certain banking products and services (i.e., deposit products and personal trust services).

#### Periodic expenses

Periodic expenses are paid from product assets, such as 12b-1 fees paid from mutual fund assets (including 12b-1 fees paid on certain funds that serve as underlying investment options for variable annuities, variable life insurance and 529 plan assets) and distribution fees paid from *Ameriprise* Certificate assets. Such 12b-1 fees may be used to pay for marketing, distribution and shareholder service expenses.

#### Interest

If you request a margin account, interest is charged on your margin balance. Where permitted, a portion of the revenue from margin interest you pay may be shared with your Ameriprise financial advisor. You may also pay interest through the use of the Overdraft Protection feature of your brokerage account.

#### Payment from product companies

Ameriprise Financial Services, Inc., receives a variety of payments for selling the products of proprietary and nonproprietary product companies. These payments include payments for marketing support, record keeping and other client account services, startup costs, technology and related expenses, conferences, and client events. The most significant payments are marketing support payments.

#### Mutual fund and 529 plan marketing and sales support payments

Mutual fund and 529 plan marketing support payments are received from certain mutual fund firms (described below as “Full” and “Limited” Participation Firms) (the Program), within the more than 250 mutual fund families firms Ameriprise Financial Services, Inc., offers.

The goal at Ameriprise Financial Services, Inc., is to offer a wide range of mutual funds using the following criteria:

- Marketing payments to support the cost of distribution
- Financial strength of the firm
- Product breadth and strong-performing funds
- Ability to provide wholesaling and training to our financial advisors
- Tax benefits offered by individual states (specific to 529 plans)
- Overall quality of the 529 plan (specific to 529 plans)

Ameriprise financial advisors may offer, and clients are free to choose, mutual funds from the more than 250 firms offered. However, certain aspects of the Program may create a conflict of interest or incentive if Ameriprise Financial Services, Inc., promotes, or Ameriprise financial advisors recommend, the mutual funds offered by a firm participating in the Program versus mutual funds offered by nonparticipating firms. In addition, among firms participating in the Program, financial advisors generally have a greater incentive to offer mutual funds from Full Participation Firms than mutual funds from Limited Participation Firms. As further described below, these conflicts and incentives may arise from the marketing and sales support provided to our financial advisors by, as well as the payments Ameriprise Financial Services, Inc. receives from, firms participating in the Program and other relationships with firms, including our affiliation with Columbia Management Investment Advisers and the Columbia-branded mutual funds, in addition to other fund brands (the Affiliated Columbia Funds) – see the section titled “Columbia and other affiliated mutual funds” below.

#### **Marketing and sales support**

The firms in the Program that are Full Participation Firms provide education, training, marketing and sales support to Ameriprise financial advisors. These firms may reimburse Ameriprise Financial Services, Inc., or Ameriprise financial advisors for client/prospect education events and financial advisor sales meetings, seminars and training events consistent with Ameriprise Financial Services Inc., policies. Ameriprise Financial Services Inc., may also receive nominal noncash benefits from time to time. Limited Participation Firms pay marketing support at a lower level than do Full Participation Firms; therefore, Limited Participation Firms may not provide some services, or the same level of services, to Ameriprise financial advisors. As a result, Ameriprise financial advisors may have a greater familiarity with Full Participation Firms.

#### **Marketing and sales support payments**

To be included in the Program, firms have agreed to pay Ameriprise Financial Services, Inc., a portion of the revenue generated from the sale and/or management of mutual fund shares. Full Participation Firms pay marketing support at a higher level than do Limited Participation Firms. Each year a client holds shares of a particular mutual fund, the mutual fund’s advisor or

distributor may pay to Ameriprise Financial Services, Inc., an amount based on the value of the mutual fund shares held in clients’ accounts (asset-based payment). In addition, a mutual fund’s advisor or distributor may pay a fee to Ameriprise Financial Services, Inc., for the mutual fund shares purchased during a given period (sales-based payment). As of December 2010, Ameriprise Financial Services, Inc., received an asset-based payment (up to 0.25% per year for mutual funds and 0.16% per year for 529 plans) on some or all of Ameriprise Financial Services, Inc., clients’ assets managed by the participating firms and a sales-based payment (up to 0.25% for both mutual funds and 529 plans) on some or all of the participating firms’ gross sales made through Ameriprise Financial Services, Inc.

Limited Participation Firms generally limit by prospectus the amount of marketing support their affiliates may pay on mutual funds.

Ameriprise Financial Services, Inc., receives 0.62% of money fund deposits for its money market fund sweep program. The amount that Ameriprise Financial Services, Inc., receives may be reduced based on fee waivers that are imposed by the money market fund firm.

These arrangements vary between firms and may be subject to change or renegotiation at any time. If a firm ceases to pay marketing support or other fees, Ameriprise Financial Services, Inc., may remove the firm from the Program and may cease to offer mutual fund shares and or the 529 plan(s).

#### **Full participation**

Twenty-four firms fully participate in the Program. These firms include the Columbia mutual funds (and the Affiliated Columbia Funds), American Century, BlackRock, Calvert, Credit Suisse, Dreyfus, DWS Investments, Eaton Vance, Federated, Fidelity, Goldman Sachs, Invesco, Ivy, Janus, John Hancock, JP Morgan, Legg Mason, MFS, Nuveen, Oppenheimer, Prudential, Putnam, Virtus and Wells Fargo. These firms are referred to as “Full Participation Firms.”

We offer 529 plans from 21 firms. Of those, 13 are Full Participation Firms. These fund firms include American Century, BlackRock, Calvert, Columbia, DWS Investments, Fidelity, Ivy, John Hancock, Legg Mason, MFS, Oppenheimer, Putnam and Wells Fargo. Each of these firms is referred to as a “Full Participation Firm.”

### **Limited participation**

Three firms participate in the Program at a limited level. These firms are AllianceBernstein, Allianz/PIMCO and Franklin Templeton.

529 plan “Limited Participation Firms” include AllianceBernstein, Allianz/PIMCO, Franklin Templeton, Hartford and Upromise.

### **Distribution support relationships**

Ameriprise Financial Services, Inc., also has arrangements with firms for distribution support services. These firms make payments of up to 0.18% on sales and 0.10% on assets to Ameriprise Financial Services, Inc., for these services, which support the distribution of the fund’s shares and 529 plans by making them available on one or more of Ameriprise Financial Services, Inc., platforms, commonly known as “shelf space.” These mutual fund firms do not provide marketing and sales support to Ameriprise financial advisors and do not participate in the mutual fund list (as described in the next section).

Ameriprise Financial Services, Inc., sells 529 plans from three firms that neither have wholesaling access to Ameriprise advisors nor pay marketing or distribution support. Moreover, the plans are available for sale to in-state residents only. These firms are American Funds, First National Bank of Omaha and Union Bank & Trust.

The total amount received from all distribution support firms in 2010 was \$4,003,421. The only firm (out of 65) that paid more than \$500,000 was First Eagle Funds, which paid \$770,043. The rest paid amounts ranging from \$4 to \$437,606.

### **Mutual fund list**

Ameriprise financial advisors may make mutual fund recommendations based on a group of funds that appear on an Ameriprise Financial Services, Inc., mutual fund list (“the List”). The List is developed by the Ameriprise Financial Investment Research Group. Approximately 1,400 mutual funds are eligible for inclusion on the List, which includes only mutual funds deemed “Full Participation Firms” in the Ameriprise Financial Services, Inc., Mutual Fund Program described above.

In developing the List, the Ameriprise Financial Investment Research Group applies a quantitative and qualitative evaluation process that includes an analysis of a fund’s returns, risk and expenses; the tenure

of its portfolio managers; and the consistency of its performance and style. Certain mutual funds that would have otherwise been included on the List were excluded due to their high investment minimums. Client suitability must be considered when trading mutual funds, including breakpoint discount eligibility and NAV transfer availability. The funds on the List are subject to change periodically; however, changes to the List should not be the sole reason to prompt trading.

This List is developed by evaluating the characteristics of each fund’s A share class. As a result, clients for whom another share class may be more advantageous may be unable to purchase a fund on the List if that fund does not offer that particular share class. In addition, the List was developed using those funds currently available through SPS *Advantage*, SPS Advisor or Ameriprise brokerage accounts. As a result, clients may not be able to purchase a fund on the List if that fund is not available through the service in which the client invests.

Ameriprise Financial Services, Inc., receives payments for the services we provide to the Full Participation Firms (including our affiliate, Columbia Management) and to other funds available for sale at Ameriprise Financial Services Inc. The amount of fees Ameriprise Financial Services, Inc., receives from funds eligible for inclusion on the List is not considered in the selection process for inclusion on the List, and no fund pays Ameriprise Financial Services, Inc., to be on the List. Clients may choose to follow the recommendations provided by the Ameriprise financial advisor or may select from any of the other funds offered through Ameriprise Financial Services, Inc., regardless of whether that fund appears on the List.

### **Other financial relationships**

In addition to sales charges, 12b-1 fees and marketing support payments Ameriprise Financial Services, Inc., receives, the mutual fund’s advisor, distributor or affiliate may also make other payments to Ameriprise Financial Services, Inc., for client services and other account maintenance activities provided. All of the mutual fund firms sold by Ameriprise Financial Services, Inc. pay Ameriprise Financial Services, Inc., networking and/or omnibus services fees for operational support. In addition, some mutual fund firms may pay Ameriprise Financial Services, Inc., to participate in a conference or may reimburse permitted expenses of Ameriprise financial advisors. Information

about these charges and fees may be viewed at [ameriprise.com/funds](http://ameriprise.com/funds) in the documents titled “An Investor’s Guide to Purchasing Mutual Funds Through Ameriprise Financial” and “Purchasing mutual funds through Ameriprise” or in the mutual fund prospectus. Ameriprise Financial Services, Inc., receives up to 0.40% per year on some or all of its Ameriprise Financial Services, Inc., clients’ assets managed by participating mutual fund firms.

Ameriprise Financial Services, Inc., provides clients with access to other firms through its relationship with Charles Schwab & Co. Inc., (Schwab), and Schwab’s mutual fund program. Schwab passes to Ameriprise Financial Services, Inc., certain payments it receives from firms accessed through its program. AEIS receives payments from some firms for client and other account services. AEIS shares a portion of that fee with Ameriprise Financial Services, Inc., for providing distribution support services, which is sometimes referred to as shareholder support services.

Ameriprise Financial Services, Inc., and its affiliates may have other relationships with firms whose mutual funds Ameriprise Financial Services, Inc., offers. These relationships may include affiliates of firms acting as a subadvisor to Columbia Management Investment Advisers, Columbia Management Investment Advisers’ acting as a subadvisor to a firm, or affiliates of a firm managing an investment portfolio within another Ameriprise Financial Services, Inc., or affiliated product, such as a *RiverSource* variable annuity. Firms may use Columbia Management Investment Advisers as an underlying investment option in products offered through the Program.

Ameriprise Financial Services, Inc., has a marketing support agreement with BlackRock Advisors, LLC, with respect to BlackRock Funds positions held by Ameriprise Financial Services, Inc., customers. BlackRock, Inc., is part of Barclays Global Investors, which owns more than 5% of the outstanding shares of Ameriprise Financial, Inc., stock.

Ameriprise Financial Services, Inc., has a marketing support agreement with AllianceBernstein Investment Research and Management, Inc., with respect to AllianceBernstein positions held by Ameriprise Financial Services, Inc., customers. AXA Financial, a majority owner of AllianceBernstein, owns more than 5% of the outstanding shares of Ameriprise Financial, Inc., stock. In addition, AXA Financial sells annuities to Ameriprise Financial Services, Inc., clients.

#### **Columbia and other affiliated mutual funds**

The following funds are now affiliated with Ameriprise Financial, Inc.: Columbia, Wanger, Columbia Acorn, RiverSource, Seligman and Threadneedle. The affiliates of Ameriprise Financial Services, Inc., provide certain administrative and transfer agent services to these mutual funds. Ameriprise Financial Services, Inc., and its affiliates generally receive more revenue from sales of affiliated mutual funds than from sales of other mutual funds. Employee compensation and operating goals at all levels of the company are tied to the company’s success. Certain employees may receive higher compensation and other benefits based, in part, on assets invested in affiliated mutual funds.

#### **Payments from other nonproprietary product providers**

##### **Payments from hedge fund offering sponsors**

Ameriprise Financial Services, Inc., in consideration for its marketing and other services, may receive ongoing investor service fee payments of up to 1% of assets from hedge fund offering sponsors.

##### **Payments from nonproprietary annuity and insurance companies**

Nonproprietary annuity and insurance marketing, sales support and commission payments are received from unaffiliated insurance companies directly or through intermediaries.

Ameriprise Financial Services, Inc., sells annuity and life insurance products manufactured by its RiverSource affiliate as well as products from three nonproprietary variable annuity companies to its clients. Compensation payable to the selling advisor is equal among RiverSource and the three nonproprietary variable annuity companies; however, compensation payable to Ameriprise Financial Services, Inc., may vary among the four companies.

RiverSource is permitted to reimburse Ameriprise Financial Services, Inc., or Ameriprise financial advisors for client/prospect education events and financial advisor sales meetings, seminars and training events. The nonproprietary variable annuity companies pay distribution support payments to Ameriprise Financial Services, Inc., for “shelf space” of up to 0.69% on sales and up to 0.15% on assets under management. These companies also provide support to an Ameriprise Financial Services, Inc., internal sales desk, which in turn provides support to financial advisors. These nonproprietary variable annuity companies do not

provide direct client or financial advisor education or sales support, other than the addressing of client service issues. As a result, Ameriprise financial advisors may have a greater familiarity with RiverSource annuity products and may be more likely to sell those products.

Ameriprise Financial Services, Inc., receives from the nonproprietary long-term care insurers payments of up to 30% of the commissionable premium and varying payments from nonproprietary life, disability and other insurance carriers.

Ameriprise Financial Services, Inc., has a distribution support agreement with AXA Financial with respect to AXA's annuity products held by Ameriprise Financial Services, Inc., customers. AXA Financial owns more than 5% of the outstanding shares of Ameriprise Financial, Inc., stock.

#### **Payments from direct investment sponsors**

Ameriprise Financial Services, Inc., has agreements with the sponsors of direct investments including nontraded REITs, Business Development Companies (BDCs), 1031 Exchanges and Real Estate Private Placement funds. In exchange for certain services, such as distribution, marketing and customer support and related services, these sponsors pay Ameriprise Financial Services, Inc., a portion of the proceeds generated from the sale of direct investment shares. For selling direct investments, Ameriprise Financial Services, Inc., may receive a fee of up to 8.50% of the price of each share sold. A portion of this fee is paid to the financial advisor. This fee is composed of varying levels of selling commissions, marketing support payments and selected dealer fees.

#### **Payments from structured products sponsors**

Ameriprise Financial Services, Inc., receives a fee comprising selling commissions, selected dealer fees and/or marketing support fees for the sale of structured products. The marketing support fees are up to 60 basis points multiplied by the term of the product.

Ameriprise Financial Services, Inc., has a marketing support agreement with Barclays Bank, PLC, and Barclays Capital, Inc., with respect to the firms' structured products sold at Ameriprise Financial Services, Inc. Barclays Bank, PLC, retains ownership of a portion of Barclays Global Investors, which owns more than 5% of the outstanding shares of Ameriprise Financial, Inc., stock.

#### **Payments for referrals to structured settlement agents**

Ameriprise Financial Services, Inc., receives a fee, shared with financial advisors, for referrals to structured settlement professionals for both client and nonclient referrals. The amount and basis for the referral fee varies by relationship.

#### **Underwriters' compensation**

Ameriprise Financial Services, Inc., receives a fee comprising of a selling concession, management fee, underwriting fee and, in some cases, a structuring fee for the sale of initial public offerings IPOs such as closed-end funds and preferred securities. The specific amounts vary by individual offering and are disclosed in the prospectus.

#### **Transaction charges**

Ameriprise financial advisors pay charges on certain mutual fund and general securities transactions, including structured products and IPOs of closed-end funds and preferred securities. Transaction charges are determined using a variety of factors, such as the type of transaction; processing methodology (e.g., online, telephone, systematic arrangements); account type (fee-based SPS *Advantage* account/transaction-based brokerage account); and, in one case, the firm. Ameriprise financial advisors pay the same mutual fund transaction rate for all mutual fund firms except American Funds. Ameriprise financial advisors pay significantly higher transaction charges (up to \$85 per transaction) on mutual fund purchases of American Funds. This higher transaction charge may be a disincentive for Ameriprise financial advisors to recommend American Funds. Additionally, American Funds does not pay Ameriprise Financial Services, Inc., for either marketing support or distribution support. For more information about payments and potential conflicts of interest, please see the applicable prospectus, term sheet, application or other client disclosure forms.

#### **Financial interest in products**

Ameriprise Financial Services, Inc., has a financial interest in the sales of proprietary products that are manufactured by its affiliates. Ameriprise Financial Services, Inc., and its affiliates receive more revenue from the sale of some financial products and services, particularly those products and services sold under the Ameriprise, Columbia and RiverSource brands, than for the sale of other products and services.

Ameriprise Financial Services, Inc., generally also receives more revenue for securities or products sold in a fee-based account than for those sold with only a sales charge or commission. Higher revenue generally results in greater profitability for Ameriprise Financial Services, Inc. Employee compensation (including management and field leader compensation) and operating goals at all levels of the company are tied to the company's success. Management, sales leaders and other employees generally spend more of their time and resources promoting Ameriprise, Columbia and RiverSource products and services.

Both Ameriprise Financial Services, Inc., and your individual financial advisor are compensated when you buy mutual funds through Ameriprise Financial Services, Inc. Generally, your financial advisor receives a substantial portion of the sales charge and 12b-1 fees paid to the firm in connection with your purchase for as long as you own your fund shares. Sales charges and 12b-1 fees vary from mutual fund to mutual fund and from class to class. Ameriprise Financial and the advisor receive more compensation on fund or share classes that pay higher fees.

Ameriprise Financial Services, Inc., and the financial advisor generally receive less compensation when the sales charge and/or 12b-1 fee is reduced, waived completely, or where there is no sales charge. Therefore, there is an incentive for our advisors to sell a fund from a load fund family or a fund that pays a 12b-1 fee over one that does not.

Ameriprise Financial Services, Inc., and Ameriprise financial advisors are paid in different ways for helping you choose mutual funds, depending on the type of fund, amount invested and share class purchased. Ameriprise Financial Services, Inc., and Ameriprise financial advisors generally receive reduced compensation when a sales charge or 12b-1 fee is reduced or eliminated or where there is no sales charge or 12b-1 fee, which may influence your advisor to recommend certain funds or classes over others. (Employee advisors do not receive 12b-1 fees.)

Ameriprise Financial Services, Inc., and financial advisors receive more compensation for sales of certain types of products, such as insurance, rather than others.

### **Referral arrangements and other economic benefits**

Ameriprise Financial Services, Inc., also makes informal arrangements with individual clients wherein

compensation is paid to those clients for referral of other individuals to Ameriprise Financial Services, Inc., for financial advisory services.

Ameriprise Financial Services, Inc., may form alliances and networking and referral arrangements with financial institutions such as community banks, credit unions, credit union service organizations and farm credit services (Third Party Financial Institutions) to allow its financial advisors to offer financial planning services and certain other nondeposit investment and insurance products and services, described elsewhere in this brochure, to retail customers/members of the Third Party Financial Institutions. As a result of these alliances or networking arrangements, financial advisors may not be able to offer certain products available through Ameriprise Financial Services, Inc., or its affiliates to customers/members of the Third Party Financial Institutions. Also as a result of these alliances or networking arrangements, Third Party Financial Institutions may receive, in the form of program support or in the form of a networking payment, a portion of advisory fees and securities and insurance commissions paid to financial advisors for sales to retail customers/members of the Third Party Financial Institutions.

### **Review of issuers of financial products**

Ameriprise Financial, Inc., and its affiliates (Ameriprise Financial) have policies and procedures in place to review the issuers of financial products such as real estate investment trusts, structured notes, and annuity and life insurance products that Ameriprise Financial Services, Inc., permits its financial advisors to offer to some or all of its clients. This review includes publicly available information and reports issued by third-party rating agencies and may in some cases include certain nonpublic information provided by the issuer. Ameriprise Financial periodically reassesses, but does not continuously monitor, the creditworthiness or financial solvency of third-party issuers. These policies and procedures are reasonably designed to mitigate our clients' exposure to credit and default risks resulting from an inability of the issuer to repay the principal on a note or fulfill an insurance obligation. However, you should be advised that credit markets can be volatile, and the creditworthiness of an issuer may change rapidly. Ameriprise Financial Services, Inc., as a seller of these products, is prohibited by regulation from guaranteeing or providing any assurance that an issuer of financial products will be able to fulfill the issuer's

obligation to any purchaser of such a product through Ameriprise Financial.

**Revenue sources for RiverSource Life Insurance Company and, in New York only, RiverSource Life Insurance Co. of New York (collectively RiverSource Life)**

- **Sales charges.** You pay sales charges under RiverSource fixed and variable annuity contracts and life insurance policies.
- **Periodic fees and expenses.** You pay certain fees and expenses under *RiverSource* variable annuity contracts and life insurance policies, including (depending on the type of contract or policy) mortality and expense, administrative, policy, contract, and cost of insurance fees or charges, in addition to costs associated with certain riders that may be available for both fixed and variable contracts and policies.
- **Investment and interest income.** RiverSource Life receives investment and interest income from its general account assets derived, in part, from the amounts you pay for insurance and annuity benefits.
- **Variable annuity and variable life insurance financial arrangements.** RiverSource Life selects the funds available within your variable annuity contract or variable life insurance policy. In doing so, RiverSource Life may consider various objective and subjective factors. These factors include compensation RiverSource Life may receive from fund assets (for those funds with 12b-1 plans); assets of the fund's adviser, subadviser or an affiliate of either; and assets of the fund's distributor or an affiliate.

The amount of this revenue varies by fund, may be significant, and may create potential conflicts of interest for RiverSource Life and persons selling the contracts. The greatest amount and percentage of revenue that RiverSource Life receives comes from assets allocated to subaccounts investing in proprietary funds and their affiliates. In general, the compensation directly related to assets under management that RiverSource Life receives from both proprietary and nonproprietary funds and their affiliates currently ranges up to 0.64% of the average daily net assets invested in the fund through the variable annuity or variable life insurance contracts RiverSource Life issues. The compensation is in addition to revenues RiverSource Life receives from the charges you pay when buying, owning and surrendering your annuity contract or life insurance

policy. In accordance with applicable laws, regulations and the terms of the agreements under which such compensation is paid, RiverSource Life may receive this compensation for various purposes including financial advisor training and compensation, marketing and distribution, customer servicing, transaction processing, record keeping, and other administrative services.

**Revenue sources for Columbia Management Investment Advisers, LLC, and Columbia Wanger**

- **Periodic fees and expenses.** Columbia Management Investment Advisers, LLC, receives periodic fees and expenses from product assets related to the investment management of these products, specifically, mutual fund management fees and/or certificate advisory and services fees. Columbia Wanger receives this revenue only on Columbia Acorn- and Columbia Wanger-branded funds. Columbia Management Investment Advisers receives this revenue only on the other Columbia Funds.

**Revenue sources for other Ameriprise Financial companies**

There are a number of other Ameriprise Financial companies that will receive revenue from the charges and fees you pay, including the following:

- **Ameriprise Certificate Company** receives investment spread income earned on, and any early withdrawal penalty related to, *Ameriprise Face Amount Certificates*.
- **Columbia Management Investment Services Corporation** receives reimbursement of certain fees and expenses paid from Columbia Funds and *Ameriprise Face Amount Certificates* in exchange for the transfer agent services it provides.
- **American Enterprise Investment Services, Inc.**, is compensated for its services through the brokerage commission charged for each brokerage transaction, including transactions made in an Ameriprise Personal Trust Services account, or the brokerage commission is included in the overall asset-based fee, depending on the account option you select. Additionally, American Enterprise Investment Services, Inc., receives compensation in the form of fees paid to it by the participating banks in the bank sweep program, interest charged on your margin account balance and order handling fees. American Enterprise Investment Services, Inc., may also

engage in principal trading of certain types of fixed income securities — that is, it may buy and sell these securities for its own account with the objective of making a profit. In certain circumstances, American Enterprise Investment Services, Inc., may buy these securities from you or sell these securities to you on a principal basis, in which case you will pay a markup or markdown on the transaction. The capacity in which American Enterprise Investment Services, Inc., acts in any particular transaction is disclosed on each transaction confirmation you receive.

- **Ameriprise Financial, Inc.**, receives fees paid from Columbia Funds and *Ameriprise Face Amount Certificates* in exchange for the administrative services it provides.
- **Columbia Management Investment Distributors, Inc.**, receives fees paid from Columbia Funds in exchange for the distribution accounting services it provides.
- **Ameriprise Bank** receives investment income earned on its investment portfolio backing deposit accounts, any early withdrawal penalties on certificates of deposit, product fees (such as monthly fees), and interest charges on lending and credit products.

## How our financial advisors get paid

Your financial advisor earns a living by providing you with financial advice and product recommendations to suit your goals. To understand how your financial advisor gets paid, you should first know there are three ways Ameriprise financial advisors can be affiliated with us.

- **Independent contractor franchisees.** These financial advisors are not employed by Ameriprise Financial Services, Inc., and they do not receive a salary from us.
- **Employee financial advisors.** These financial advisors are employed by Ameriprise Financial Services, Inc.
- **Associate financial advisors.** These financial advisors are employed by or contract with the independent contractor franchisees.

All Ameriprise financial advisors are licensed registered representatives. Depending on the affiliation, our financial advisors are compensated differently. Financial advisors may choose to change how they are affiliated over time.

Additionally, some of our advisors may be under different compensation systems than others, depending on,

among other factors, the advisor's industry experience and tenure with Ameriprise Financial Services, Inc., and whether the advisor was formerly associated with a firm acquired by Ameriprise.

### Salary

Employee financial advisors and associate financial advisors receive a salary or flat fee, in addition to the fees described below, from Ameriprise Financial Services, Inc., or the independent contractor franchisee advisor, respectively.

### Commissions and fees

A portion of the financial planning service and advisory service fees is paid to your financial advisor for introducing you to the service, gathering the information necessary to prepare your service, helping you establish needs and goals, preparing and presenting your service, and/or providing financial advice on behalf of Ameriprise Financial Services, Inc. The remaining portion of the fees goes to Ameriprise Financial Services, Inc., for the supervisory, technical, administrative and other support that is provided to all financial advisors. Additionally, sales charges you pay on the products and services you purchase, as well as a portion of the fees you pay for personal trust services, are paid to your financial advisor in the form of commissions. The amount paid to your financial advisor depends on the payout rate your financial advisor qualifies for and the amount of fees you pay.

- Independent contractor franchisees generally receive 72% to 100% and employee financial advisors generally receive 32% to 60% of the advisory service fees and product commissions we receive. Ameriprise Advisor Center advisors receive 10% to 37% of the product gross dealer concessions.
- In general, commission and referral fees generated by an associate financial advisor are paid to the employing or contracting financial advisor. At the discretion of the employing or contracting financial advisor, the associate advisor may receive a bonus.

Your financial advisor may receive compensation for the solicitation of certain banking products and services, both monetary and/or in the form of Ameriprise Reward points, a rewards program that enables recipients to redeem points for goods, services, travel or cash through affiliates of Ameriprise. Your financial advisor may also receive referral fees or client management fees and Ameriprise Reward points when you purchase

and maintain certain accounts and services from Ameriprise Financial Services, Inc., and its affiliates.

Our financial advisors primarily offer life and fixed-annuity products from RiverSource Life, as well as variable annuity products from RiverSource Life and three nonproprietary insurance companies. However, in some situations where the client's needs may be met more effectively by another company's product, where RiverSource Life does not offer a product (such as long-term care coverage), Ameriprise financial advisors may offer insurance products issued by unaffiliated insurance companies.

If a nonproprietary insurance product is offered, the financial advisor is an appointed agent of the insurer and receives compensation from the insurer for the sale and service of that product. The compensation for these nonproprietary products and RiverSource life insurance and annuity products is separate from, and in addition to, any fee you pay for financial advisory or planning services and may vary depending on the type and size of the life insurance or annuity product that you purchase, the insurer that issues the product, the total number of life insurance and annuity products sold by the financial advisor for that insurer, and other factors. This compensation typically will increase as the amount of the payments that you make on the life insurance or annuity product increases. Generally speaking, the compensation that the financial advisor will receive is calculated by a formula. This compensation may also increase as the financial advisor sells increasing amounts of RiverSource life and disability insurance.

In instances where a customer already owns a financial product sold by Ameriprise Financial Services, Inc., the amount of a financial advisor's compensation may vary in connection with the sale of an additional or replacement product, due to formulas relating to the cancellation of a product that is already owned. As a result, the financial advisor in such a transaction may have an incentive to recommend the purchase of additional or replacement insurance or annuity products or, conversely, an incentive to recommend that you not purchase additional or replacement insurance or annuity products, depending on the relevant compensation formula.

Ameriprise Financial Services, Inc., may also pay its franchisees and employee advisors for training their fellow advisors on specified products and services offered through Ameriprise Financial Services, Inc. A

portion of this payment may be based on incremental sales of these products and services.

#### **Incentives, training and education**

Product companies with which we have agreements work with Ameriprise Financial Services, Inc., and our financial advisors to promote their products. They may pay for training and education events; prospecting events such as seminars for employees, financial advisors, clients and prospective clients; or due diligence meetings. For employees and financial advisors, these events may be held at off-site locations, and the travel, meals and accommodations may be paid for by the product company. Additionally, product companies may occasionally provide business or recreational entertainment or gifts of nominal value to employees and financial advisors.

Ameriprise Financial Services, Inc., may, from time to time, offer contests, incentive programs, premiums or promotions to individual financial advisors or groups of financial advisors in particular areas. These programs may provide cash and/or noncash compensation to financial advisors for sales of particular products or services. These programs and incentives and other cash and/or noncash compensation are subject to SEC, FINRA and state insurance department regulations as well as the Ameriprise Financial Services, Inc., internal compliance policies.

Consistent with industry practice, Ameriprise Financial Services, Inc., from time to time recruits financial advisors from other firms to join Ameriprise Financial Services, Inc. In connection with these recruiting efforts, Ameriprise Financial Services, Inc., may compensate financial advisors or loan advisors money to facilitate their transition to Ameriprise Financial Services, Inc. These funds may be payable immediately, over time or as a loan, and the funds or loans may be dependent on the advisor meeting agreed-upon production levels.

#### **Ameriprise Financial, Inc., deferred equity programs**

We encourage our financial advisors to take an ownership stake in our future by holding stock in our parent company, Ameriprise Financial, Inc. To make this possible for financial advisors, we have created deferred equity programs for them. Eligible employees and independent contractor franchisee advisors may be eligible to defer a certain percentage of their compensation each year in exchange for a future

interest in Ameriprise Financial, Inc., stock and/or other investments. In addition, eligible employee financial advisors may receive deferred shares and participate in a deferred compensation plan.

Financial advisors who are independent contractor franchisees may build equity in their practices and may receive payments if they sell all or a part of their practices to other Ameriprise financial advisors.

#### **Compensation for bank products**

Ameriprise Financial Services, Inc., offers retail banking products through its affiliate Ameriprise Bank, FSB. Financial advisors may earn compensation for offering bank products, including loans and deposit, credit card, and personal trust services. Financial advisors may also be employed by Ameriprise Bank, or a vendor bank, in order to offer mortgage products. These banking duties are separate from their duties as financial advisors. While acting in their capacity as mortgage originators, financial advisors are not acting on behalf of Ameriprise Financial Services, Inc.

#### **For clients without a financial advisor**

Certain products can be purchased through the Ameriprise Financial Services, Inc., online brokerage site without the aid of a financial advisor. If you do not work with an advisor, Ameriprise Financial Services, Inc., keeps the full amount of any fees paid to us in connection with your transaction. These fees are used in part to pay other employees and to pay for the technology that supports the services we provide you.

#### **Management compensation and bonus programs**

Employee compensation and operating goals at all levels of the company are tied to the company's success. All employees, directly or indirectly, may receive higher compensation and other benefits when the funds of certain providers, particularly Columbia Funds, are purchased. Management, sales leaders and other employees spend more of their time and resources promoting Ameriprise Financial, Columbia Management and RiverSource Life products and services.

## **Important information for our clients**

As with all financial services firms, a portion of our revenue and compensation can generate a profit for the firm. The revenue and compensation we receive help us cover our expenses in providing and servicing these products and services. Employee and financial advisor compensation and operating goals at all levels of Ameriprise Financial, Inc., are tied to the success of its businesses. As a result, certain incentives and conflicts of interest may exist for Ameriprise Financial Services, Inc., our affiliates and our financial advisors if you purchase certain products or services recommended by your financial advisor.

To the extent that fees paid to a financial advisor in connection with the sale of direct investment shares are higher than the fees paid for the sale of other investments, a financial advisor may have an incentive to recommend those investments that pay the higher fees.

#### **Generally, Ameriprise Financial Services, Inc., and our affiliates will receive:**

- More revenue, in aggregate, from the purchase of Ameriprise, Columbia Management and RiverSource products (proprietary products) than from the purchase of products from firms that aren't affiliated with Ameriprise Financial, Inc. (nonproprietary products). Ameriprise Financial Services, Inc., actively promotes the products of our affiliates through advertising, direct mail, and training and wholesaling events. In addition, Ameriprise Financial Services, Inc., may collect data regarding mutual funds recommended by individual advisors. Columbia Management wholesalers and others may use this information to encourage sales of Columbia Management products. This information is not generally available to nonproprietary mutual fund families.
- More revenue from the purchase of products and services than from financial advisory fees
- More revenue when you purchase certain types of products, such as insurance and annuity products and direct investments
- More revenue from products and services that generate ongoing revenue streams, such as mutual funds that pay ongoing 12b-1 fees, an investment advisory account service, and life insurance and annuity products with mortality and expense charges

- More revenue when you purchase shares of mutual funds or 529 plans that participate in either the Program or other products for which we have similar financial arrangements, as described under “How we get paid”
- Less revenue when a sales charge or commission is reduced or waived completely or where there is no sales charge
- More revenue when you move assets (including retirement plan accounts) from another institution to Ameriprise Financial Services, Inc., Columbia Management or RiverSource

**Generally, your financial advisor may earn:**

- More depending on how your financial advisor is affiliated with Ameriprise Financial Services, Inc., as described under “How our financial advisors get paid”
- More on the purchase of annuity and insurance products and direct investments, because they are more complex than are other products and take more time to service
- More from certain incentive programs
- More revenue from the Ameriprise Insured Money Market Account than if you purchase nonsweep money market funds
- Less on individual purchases within a transaction-based brokerage account due to the higher transaction charges your financial advisor pays on these accounts compared to a fee-based investment advisory account
- Less when a sales charge or commission is reduced or waived completely or where there is no sales charge
- Less when you exchange an existing annuity contract, mutual fund or insurance policy for certain other products, unless you have held the existing product for a certain period of time
- More as the size of any outstanding margin account balance increases
- Additional compensation on the value of the assets rolled into an IRA brokerage account from a retirement account with Columbia Funds
- A higher payout rate based on the level of product sales, on the number of financial plans sold and on higher face/death benefit amount for certain insurance products

- More as increasing amounts of RiverSource life and disability insurance are sold
- More when you move accounts (including retirement plan accounts) from another institution to Ameriprise Financial, Columbia Management or RiverSource
- Compensation for selling Ameriprise Bank CDs and for certain savings and trust products
- Compensation for the sale or renewal of *Ameriprise* Face Amount Certificates

Financial advisors who are employees of Ameriprise Financial Services, Inc., receive concentrated training on Ameriprise Financial Services, Inc., Columbia Management and RiverSource products, including RiverSource insurance and RiverSource annuity products; Columbia Funds; and a targeted subset of nonproprietary products. As a result, if your financial advisor is an employee of Ameriprise Financial Services, Inc., the product recommendations you will receive will likely be drawn from this universe of products.

Ameriprise Financial Services, Inc., may enter into strategic alliances with companies that offer products or services that Ameriprise Financial Services, Inc., and its financial advisors do not sell. In some of those alliances, Ameriprise financial advisors may receive gifts and offers from the other companies.

Some, but not all, of the financial planning software tools available for use by your financial advisor were developed by Ameriprise Financial Services, Inc., or unaffiliated third parties and may make it more convenient for your financial advisor to select proprietary products. While your financial advisor may select nonproprietary products through these tools, this may not be as convenient as selecting features for our proprietary products.

Most Ameriprise financial advisors are also the appointed agents of RiverSource Life Insurance Company and, in New York only, RiverSource Life Insurance Co. of New York, affiliates of Ameriprise Financial. When acting as an agent for these affiliates, your financial advisor’s interest may not be the same as your interest.

# What we do in case of a business emergency

## Ameriprise Financial business continuity plan

### Overview

At Ameriprise Financial, we strive to provide our clients with outstanding service that leads to long-term relationships. That is why we have incorporated business continuity planning into our business strategy. Our company has developed a comprehensive business continuity plan that covers operations performed by Ameriprise Financial Services, Inc.; American Enterprise Investment Services; Columbia Management; RiverSource Life Insurance Company; and all other subsidiaries (hereafter Ameriprise Financial). The plan is designed to protect our company from events that threaten the company's employees, brand, reputation and financial solvency.

The Ameriprise Financial business continuity plan is based upon a proactive "all hazards" approach toward preparing for business disruptions of varying severity and scope. It provides for testing at least annually and in response to any material changes affecting our business, and it takes into consideration critical third-party relationships. Although it is impossible to anticipate every scenario, we believe that our business continuity plan will enable Ameriprise Financial to resume doing business even after the occurrence of events that are likeliest to affect business operations.

### Key plan elements

Business continuity planning at Ameriprise Financial is part of a much larger planning process taking place across the entire Ameriprise Financial organization. Our "all hazards" approach includes planning for a multitude of potential threat scenarios, including the possibility of an influenza pandemic. Our goal is to protect our employees' health and safety while simultaneously mitigating the potential for disruptive business impacts that threaten to undermine our ability to provide service to our clients. As part of our "all hazards" planning, we have developed multiple solution strategies that will enable Ameriprise Financial to recover business operations after experiencing virtually any form of disruption or outage. We have developed a proprietary, geographically diverse backup facility complete with space for key employees as well as telephones, computers and other necessary hardware. This proprietary facility is located on a separate

power grid from our headquarters and is serviced by a different power provider. It has local and long-distance telephone service providers that are distinct from those that service Ameriprise Financial headquarters. We have also entered into an agreement with a third party to provide us with additional backup facilities and services. We have implemented data mirroring for our mainframe applications between geographically dispersed data centers as well.

### Strategy by disruption type

What follows is a description of how Ameriprise Financial will respond to the following four types of disruptions: (1) a firm-only disruption; (2) a disruption that affects a single building; (3) a disruption that affects the entire city or business district; and (4) a disruption that affects an entire region. We have also included information about how long we expect it will take Ameriprise Financial to recover from these different types of events.

**1. Firm-only disruptions** — To respond to a disruption that affects only Ameriprise Financial, such as a computer virus, we have developed an enterprisewide Crisis Preparedness Plan (CPP) that outlines procedures for proactively addressing life, health and safety issues; crisis communications; damage assessment; damage mitigation; personnel mobilization; and the protection of mission-critical systems.

If this type of disruption takes place, Ameriprise Financial intends to restore our clearing (including broker-dealer, retirement services, asset management operations and all services that support the aforementioned operations) within one day after the disruption occurs. However, unforeseen circumstances could result in lengthier delays during any particular disruption.

**2. Disruptions that affect a single building** — In the event of a disruption that affects a single Ameriprise Financial facility, such as a fire in one of our buildings, our plan calls for a response involving multiple alternative locations. We will resume operations by moving key personnel supporting critical business processes to unaffected buildings, to our proprietary backup facility (if necessary), to

third-party backup facilities (if necessary) and to Ameriprise Financial investment management offices (if necessary). Certain operational processes can be performed by having key personnel connect to the Ameriprise Financial network from a remote location. We are also prepared (if necessary) to transfer responsibility for certain operations and support services to our satellite offices.

We intend to resume operations in all our business lines within one day after experiencing this type of disruption. However, unforeseen circumstances could result in lengthier delays, depending on the building that is affected and the availability of data and applications from our data centers.

- 3. Disruptions affecting the entire city or business district** — If a disruption is significant enough to affect the entire city or business district, such as a terrorist attack, we are prepared to recover business operations (including services that support these operations) at both our proprietary and third-party backup facilities as well as at certain Ameriprise Financial investment management offices. As above, certain key employees would work remotely and certain operations and support services would be handled by other Ameriprise Financial offices.

We intend to resume operations in all our business lines within one day after a disruption of this nature occurs. However, unforeseen circumstances could result in lengthier delays, depending on the availability of data and applications from our data centers and on the availability of key employees.

- 4. Disruptions affecting an entire region** — In the event of a disruption that affects an entire region, such as a regional power outage, we are prepared to recover business operations from third-party backup facilities, certain Ameriprise Financial investment management offices and other remote locations that are geographically dispersed from the affected region. In addition, certain Ameriprise Financial investment management offices and satellite offices will take control of portions of Ameriprise Financial business lines. Although Ameriprise Financial intends to resume operations within one day after this type of disruption occurs, it is possible that one or more of our business lines may not be able to resume operations until after the disruption is over.

## Recovery time variables

In all the situations described above, Ameriprise Financial expects to continue doing business and expects to resume operations within the specified time frames. However, in the event that a business disruption results in a significant loss of life at our headquarters or otherwise results in our key employees being unavailable or unable to report to their designated backup facility, the times to recovery described above may be increased.

Furthermore, although we expect to continue operating regardless of the type of disruption, it is impossible to anticipate every scenario. Therefore, it is possible that a significant business disruption could result in Ameriprise Financial deciding that we are unable to continue doing business. In such a situation, our plan provides procedures to help ensure that our customers have prompt access to their funds and securities.

## Enhancements ongoing

Ameriprise Financial continues to devote substantial resources to the enhancement of our corporate business continuity plan. For example, in addition to our backup facilities, third-party backup arrangements and our mainframe data mirroring, we are currently in the process of mirroring our critical data and applications between geographically dispersed data centers to improve our recovery time under each of the situations described above.

We are continuing to assess how our plan takes into consideration third-party relationships. We may also enter into agreements with other firms to perform certain functions on our behalf in the event of a disruption, until we have the capability to resume performing those tasks.

## RiverSource Life Insurance Co. of New York

RiverSource Life Insurance Co. of New York has implemented business continuity plans that are incorporated into the Ameriprise Financial business continuity program and has addressed disruptions of varying severity and scope that may affect its operations. This subsidiary intends to resume operations within one day after a disruption occurs, utilizing the backup facilities of Ameriprise Financial and personnel located in the Midwest.

## Changes and modifications

The Ameriprise Financial business continuity plan is subject to modification. You can obtain updated information about the plan by requesting a written copy by mail. All requests for updated information should be sent to the following address:

Ameriprise Financial Services, Inc. Center  
70100 Ameriprise Financial Center  
Minneapolis, MN 55474

# Appendix A

Summaries of 2010 mutual fund firms' marketing support follow, segmented by mutual fund or 529 plan products:

## Mutual fund marketing support arrangements by fund firm (Jan. 1, 2010 – Dec. 31, 2010)

Fund firm	Total marketing support payments from fund firms in 2010 <sup>1</sup>	Source of payment
AllianceBernstein	\$591,439	AllianceBernstein Investment Research and Management, Inc.
Allianz/PIMCO	\$2,718,889	Allianz Global Investors Distributors LLC
American Century	\$4,694,514	American Century Investment Services, Inc.
BlackRock	\$3,382,094	BlackRock Advisors, LLC
Calvert	\$3,426,048	Calvert Distributors, Inc.
Columbia	\$39,673,988 <sup>2</sup>	Columbia Management Distributors, Inc., & Columbia Management Investment Distributors, Inc.
Credit Suisse	\$658,183	Credit Suisse Asset Management Securities, Inc.
Dreyfus	\$2,949,239	The Dreyfus Corporation and/or Dreyfus Service Corporation
DWS Investments	\$3,453,094	DWS Distributors, Inc.
Eaton Vance	\$9,399,532	Eaton Vance Distributors, Inc.
Evergreen	\$1,238,115	Evergreen Investment Services, Inc.
Federated	\$2,582,264	Federated Securities Corp.
Fidelity	\$12,737,593	Fidelity Distributors Corporation
Franklin Templeton	\$4,375,919	Franklin Templeton Distributors, Inc.
Goldman Sachs	\$2,553,684	Goldman, Sachs & Co.
Invesco	\$6,416,675	Invesco Aim Distributors, Inc.
Ivy	\$618,316	Ivy Funds Distributor, Inc.
Janus	\$3,811,616	Janus Capital Management, LLC
John Hancock	\$5,378,994	John Hancock Funds, LLC
JP Morgan	\$495,135	JP Morgan Distribution Services, Inc.
Legg Mason Partners	\$3,414,390	Legg Mason & Co., LLC
MFS	\$9,161,707	MFS Fund Distributors, Inc.
Nuveen	\$601,120	Nuveen Investments
Oppenheimer	\$11,914,190	Oppenheimer Funds Distributor, Inc.
Prudential	\$237,368	Prudential Investments, LLC
Putnam	\$1,967,414	Putnam Retail Management Limited Partnership
RiverSource <sup>3</sup>	\$15,553,327	RiverSource Fund Distributors, Inc.
Van Kampen <sup>4</sup>	\$1,526,291	Van Kampen Funds Inc.
Virtus	\$624,094	Virtus Investment Partners, Inc.
Wells Fargo Advantage	\$6,273,151	Wells Fargo Funds Distributor, LLC
<b>Total marketing support payments from fund firms in 2010:</b>	<b>\$162,428,383</b>	

**529 plan marketing support arrangements by fund firm (Jan. 1, 2010 – Dec. 31, 2010)**

<b>Fund firm</b>	<b>Total marketing support payments from fund firms in 2010<sup>5</sup></b>	<b>Source of payment</b>
AllianceBernstein	\$34,702	AllianceBernstein Investment Research and Management, Inc.
American Century	\$64,641	American Century Investment Services, Inc.
BlackRock	\$20,000 <sup>6</sup>	BlackRock Advisors, LLC
Calvert	\$293	Calvert Distributors, Inc.
Columbia	\$301,933 <sup>2</sup>	Columbia Management Distributors, Inc., & Columbia Management Investment Distributors, Inc.
Fidelity	\$638,857	Fidelity Investments Institutional Services Company, Inc.
Franklin Templeton	\$5,003	Franklin Templeton Distributors, Inc.
Hartford	\$960	Hartford Securities Distribution Co., Inc.
Ivy	\$356	Ivy Funds Distributors, Inc.
John Hancock	\$57,541	John Hancock Funds, LLC
Legg Mason	\$30,000 <sup>6</sup>	Legg Mason & Co, LLC
MFS	\$61,927	MFS Fund Distributors, Inc.
Oppenheimer	\$150,919	Oppenheimer Funds Distributor, Inc.
Putnam	\$30,203	Putnam Retail Management Limited Partnership
Upromise	\$2,623	Upromise Investments, Inc.
Van Kampen <sup>4</sup>	\$17,940	Van Kampen Funds Inc.
Wells Fargo Advantage	\$880,888	Wells Fargo Funds Distributor, LLC
<b>Total marketing support payments from fund firms in 2010:</b>	<b>\$2,298,785</b>	

<sup>1</sup> “Total marketing support payments” represents amounts recognized as revenue by Ameriprise Financial Services, Inc., for the billing period from Jan. 1, 2010, through Dec. 31, 2010, on retail mutual fund sales and assets. These figures also include amounts pertaining to firms’ participation in Ameriprise-organized conferences.

<sup>2</sup> The Columbia Funds became affiliated with Ameriprise Financial as part of an acquisition in May 2010. Columbia Management Distributors payments are for the Columbia Funds prior to this acquisition. Columbia Management Investment Distributors payments are for Columbia, RiverSource and other affiliated funds post-acquisition.

<sup>3</sup> Reflects payments from RiverSource Fund Distributors, Inc. (now known as Columbia Management Investment Distributors), prior to May 2010 only.

<sup>4</sup> Invesco acquired Van Kampen in 2009, and the Van Kampen Funds were integrated with Invesco Funds on June 1, 2010.

<sup>5</sup> “Total marketing support payments” represents amounts recognized as revenue by Ameriprise Financial Services, Inc., for the billing period from Jan. 1, 2010, through Dec. 31, 2010, on 529 plan assets.

<sup>6</sup> A flat-fee amount paid in lieu of sales- or asset-based marketing support.

# Resolving issues or concerns

We continuously strive to earn and maintain a strong relationship with our clients and to provide high-quality service. We are committed to upholding high standards in helping you meet your financial goals and objectives. Mistakes can and do happen, and we will work to resolve your issues or concerns as quickly as possible.

Always check your account statements and confirmations to see if your transactions were processed according to your instructions — the right investments in the right amounts. Also look for fees that you don't understand. If there is anything incorrect on your account statements or confirmations, or if you have any other issues, you may take the following steps:

1. Contact your financial advisor right away. If you do not have a financial advisor, contact Client Service at 1 (800) 862.7919. Most issues are addressed by speaking with a financial advisor or a client service associate.
2. Contact your financial advisor's branch office and ask to speak to his or her registered principal.

3. If the issue is not addressed to your satisfaction, please contact the Ameriprise Financial Compliance department at 1 (866) 738.5934 or at the address noted below with your concerns:

Ameriprise Financial  
2923 Ameriprise Financial Center  
H26/2923  
Minneapolis, MN 55474

4. If you are unsatisfied with our response to your concerns, you may contact your state securities and/or insurance regulator or FINRA at [FINRA.org](http://FINRA.org).

At Ameriprise Financial, we want our clients to be clear on how we do business. We hope this guide will help clarify our relationship with you. It is meant to be a resource, but we understand that the core of our success is in our personal relationships. Please contact your financial advisor or us with any questions you may have. We are delighted to have you as part of our Ameriprise Financial family.

## The Ameriprise Financial Story

We are, and have been for over a century, a company on a mission. Our advisors help clients achieve their financial goals through personal financial planning and advice. Over the years, we've helped millions of people invest and save billions of dollars for what's important to them.

The strength of our commitment is matched only by our strength as a company. Through downturns, recessions, booms and even depressions, we have always honored our financial obligations to clients.

In today's complex financial world, our advisors help clients by providing a steady voice, a listening ear, and a clear vision of financial opportunities and pitfalls. Through their ongoing relationship with you, our advisors identify and tailor solutions for your specific needs. That's how, together, we help put more within reach for you and your loved ones.



## Financial Planning | Retirement | Investments | Insurance | Banking

Ameriprise Financial  
70100 Ameriprise Financial Center, Minneapolis, MN 55474  
ameriprise.com

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Ameriprise Bank, FSB, an Equal Housing Lender and Member FDIC, provides deposit, lending and personal trust products to Ameriprise Financial Services, Inc. Ameriprise Bank and Ameriprise Financial Services, Inc., are subsidiaries of Ameriprise Financial, Inc. Investment products provided through Ameriprise Financial are not federally or FDIC-insured, are not deposits or obligations of, or guaranteed by, any banking institution, and involve investment risks including possible loss of principal and fluctuation in value. Deposit products are FDIC-insured up to \$250,000 per depositor per ownership category. Funds held in an identified FDIC-insurable capacity will be FDIC-insured up to a maximum of \$250,000 at a single bank, and any amount deposited above \$250,000 will not be covered by FDIC deposit insurance. Clients are responsible for monitoring the total amount of funds they hold at Ameriprise Bank in the same insurable capacity in order to ensure that their total deposits are within FDIC guidelines, whether those funds are held directly at Ameriprise Bank or via the AIMMA cash sweep product made available in Ameriprise brokerage accounts.

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Columbia Funds and Columbia Acorn Funds are distributed by Columbia Management Investment Distributors, Inc., member FINRA. Columbia Funds are managed by Columbia Management Investment Advisers, LLC, and Columbia Acorn Funds are managed by Columbia Wanger Asset Management, LLC, a subsidiary of Columbia Management Investment Advisers, LLC. These companies are part of Ameriprise Financial, Inc.

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