Evaluating differences between brokerage and managed accounts (advisory solutions)

Selecting the account(s) that best meets your needs is an important decision. Your Ameriprise financial advisor can help you determine which account(s) may be most appropriate for some or all of your assets. There are circumstances where you may benefit from both an advisory (managed) account and a brokerage account for different portions of your investment portfolio.

Overview

The chart below outlines some key differences between advisory and brokerage accounts.

	Ameriprise® Advisory Account	*Ameriprise* Brokerage Account
What it is	*Ameriprise* Advisory Solutions (managed accounts) allow you to receive ongoing investment advice and feature an asset-based fee structure. This allows you to implement your investment strategy, generally without paying individual trading costs for each trade placed within the account. Many of our advisory solutions feature professional portfolio management including asset allocation, risk management, investment selection, tax-harvesting and dynamic account rebalancing.	*Ameriprise* Brokerage Accounts feature a commission-based fee structure where investors typically pay a commission and/or sales charge for each transaction placed within the account. Your financial advisor provides transactional investment recommendations which could consider an asset allocation and risk management. You can also provide tax harvesting instructions to your financial advisor to execute.
How you'll work with your advisor	Your advisor will provide you with ongoing investment advice to develop and maintain your advisory account investment portfolio, which will be designed to meet your goals and objectives.	Your advisor may provide you point-in-time recommendations related to your investment portfolio but does not have an ongoing obligation to update those recommendations.

Comparison of account types

This chart compares some basic features of advisory and brokerage accounts. Consider these general factors when working with your advisor in evaluating which account(s) is right for you.

	Ameriprise Advisory Account	*Ameriprise* Brokerage Account
Minimum investment	• $5,000	• No minimum
Investment advice and recommendations	• Ongoing advice	• Provided at the time of transaction
Trading activity	• Advisor or investment manager directed or advised trading • Periodic rebalancing	• Self-directed trading • Buy and hold
Cash holdings	• Not intended for significant cash holding • Check writing, bill pay & debit card features not available	• Acceptable • Check writing, bill pay & debit card features (not available in retirement accounts)
Examples of investment products*	• Individual securities • Mutual funds, ETFs, unit investment trusts, etc. • Certain alternative investments • Annuities	• Individual securities • Mutual funds, ETFs, unit investment trusts, etc. • Alternative investments • Annuities

*Availability varies across advisory account programs

Types of fees

This chart summarizes the types of fees you can expect to pay in each account type. Your advisor can help you better understand each of these fees. In some cases, an advisory account may cost more than a brokerage account; in other cases, a brokerage account may cost more. There are several factors including investment type, services provided and account activity that will determine the overall cost.

For a full description of managed account services offered, including fees and expenses, review the *Ameriprise* Managed Accounts Client Disclosure Brochure by visiting ameriprise.com/disclosures. For a full description of brokerage and custodial fees, visit ameriprise.com/brokeragefees.

	Ameriprise Advisory Account	*Ameriprise* Brokerage Account
Transaction fees You may pay commissions, sales charges and/or other fees on products purchased and sold in your brokerage account.		✓
Asset-based fee For each advisory account, you pay an asset - based fee based on the services provided and the assets held within your account(s). The fee is assessed monthly and deducted from your account in advance.	✓	
Account maintenance/custodial fees Account maintenance and/or custodial fees will be deducted directly from the cash balance in your account.		✓
Service fees Service fees, if applicable, are one-time fees that you may incur to fulfill certain requests for services and are deducted directly from the cash balance in your account (e.g., wire transfers and returned check fees).	✓	✓
Interest on margin and pledge loans You will be charged interest on the outstanding margin balance if you have a margin account (not available in retirement accounts or certain advisory accounts).	✓	✓
Investment expenses Depending on the investment you choose, you may incur additional expenses. These expenses cover the investment management and operating costs of certain investment products and are disclosed in the prospectus and/or statement of additional information.	✓	✓

Please review the 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 Disclosure Brochure, for a full description of services offered, including fees and expenses.

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.

Investment advisory products and services are made available through Ameriprise Financial Services, LLC, a registered investment adviser.

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