

TRANSAMERICA FINANCIAL ADVISORS, INC.

FORM ADV PART 2A

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This Brochure provides information about the qualifications and business practices of Transamerica Financial Advisors, Inc. (“TFA”). If you have any questions about the contents of this Brochure, please contact us at (727) 299-1800 extension 123-2080. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about TFA is also available on the SEC’s website at www.adviserinfo.sec.gov.

TFA is a Registered Investment Adviser. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you may wish to use in considering whether to hire or retain TFA as your advisor.

ITEM 2 – MATERIAL CHANGES

This Brochure dated September 7, 2018 provides updated information to Item 9 – Disciplinary Information - SEC Proceedings. Due to the settlement of the SEC Investigation, we have omitted the prior disclosure of that item and replaced it with a description of the settlement of the matter.

This item has been updated to reflect that on August 27, 2018, TFA and certain named affiliates reached a settlement with the SEC that resolved an investigation into, among other things, errors in the operation and implementation of asset allocation models managed by an affiliate and utilized by TFA for certain strategies offered in certain separately managed account programs and related disclosures. As to TFA, the matter also related to the firm’s reliance on certain marketing materials provided by F-Squared Investments, Inc.

Specifically, on August 27, 2018, the Securities and Exchange Commission (“SEC”) instituted a settled public administrative cease-and-desist proceeding naming TFA and certain of its affiliates. As to TFA, The Order relates to, among other things, TFA’s use of certain models in its Transamerica I-Series® and Transamerica ONE programs. The Order also states that the parties failed to make appropriate disclosures regarding these matters. In addition, the Order states that the parties failed to have adequate policies and procedures. The models at issue in the case were managed by an affiliate, AEGON USA Investment Management, LLC (“AUIM”) and by F-Squared Investments, Inc. (“F-Squared”). The models managed by AUIM were the Global Tactical Allocation – Conservative, Global Tactical Allocation – Balanced, Global Tactical Allocation – Growth, Tactical Fixed Income, Global Tactical Income and Global Tactical Rotation models. The models managed by F-Squared were the AlphaSector Rotation Index, AlphaSector Premium Index and World Allocator Premium Index. These strategies are no longer offered by TFA and neither AUIM nor F-Squared currently provide model management services to TFA. The strategies developed by AUIM and F-Squared were offered by TFA in the Transamerica I-Series® and Transamerica ONE programs between 2011 and 2015.

When we update the Disclosure Brochure with material changes, we will either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).

If you would like a copy of this Disclosure Brochure, you may download it from the SEC’s public disclosure website (IAPD) at www.adviserinfo.sec.gov, download it at www.tfaconnect.com, or contact us at 727-557-2080.

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ITEM 4 – ADVISORY BUSINESS

The Company

Transamerica Financial Advisors, Inc. (“we/our/us/TFA”) is an investment advisor firm registered with the SEC since 1991. TFA’s core distribution mission is providing life insurance, pension solutions, and asset management products.

TFA is also a general securities broker/dealer firm and has been a member of the Financial Industry Regulatory Authority (FINRA) since 1984. This enables us to provide a full range of financial products to our clients such as stocks, bonds, mutual funds and direct investments. Some of our advisory programs require our Advisors to act as broker/dealer representatives, as well.

TFA is directly owned by AUSA Holding, LLC, Commonwealth General Corporation, and AEGON Asset Management Services, Inc., who are indirect, wholly-owned subsidiaries of the ultimate parent, AEGON N.V., a publicly traded company listed on the New York Stock Exchange (NYSE) and trading under the symbol AEG.

Advisory Services Offered

At the time TFA offers you our advisory services, our Advisors conduct interviews with you to determine your financial needs and objectives. The Advisor will analyze your current financial situation, investment goals, and present strategies. The Advisor will then provide recommendations to you based on the Advisor’s analysis. The Advisors do not provide legal, tax or accounting advice. Our Advisors may offer you one or more of the following advisory services:

- **Third-Party Money Management Programs**

Our Advisors have access to a lineup of third-party money managers (“TPMMs”) that focus on providing managed model portfolios to clients with account balances as low as \$5,000. Depending on the TPMM selected, the TPMM will typically utilize either exchange traded products or mutual funds within their investment strategies. In some cases, TPMMs may include equity securities, municipal securities, US government securities, exchange traded notes and/or other securities products within their investment strategies (please refer to the specific TPMM’s Form ADV Part 2A or other disclosure document for a complete listing of the types of investments it may use in a client’s model portfolio).

If you own certain variable products, such as a Variable Annuity (“VA”) or Variable Universal Life (“VUL”) policy, our Advisors may offer you advisory services on the subaccount allocations in your VA or VUL products. These services are offered by TPMMs recommended by your Advisor and are designed to provide you with ongoing investment management services on the subaccount allocations within your VA or VUL products.

As of June 9, 2017 no new accounts may be opened directly with a third-party money manager (“TPMM”) except for certain specialized self-directed brokerage accounts. Existing business will be allowed to remain and new assets may be added.

Within each Third-Party Money Management Program, the TPMM selected will have discretionary authority over your account in order to conduct the necessary trading activity.

- **Employee Benefit Services/Transamerica Retirement Plan Exchange**

TFA’s Advisors also have the ability to refer clients to various third-party providers that provide certain administrative services relating to employee benefit plans such as providing education to plan participants. Through these third-party providers, clients can gain access to certain TPMMs within their employee benefit plan that may also be available in the Third-Party Money Management Programs described above.

For retirement plan services, TFA Advisors may also refer clients to the Transamerica Retirement Plan Exchange (“the Exchange”), administered by TAG Resources (“TAG”), a third party administrator. The Exchange allows for small and mid-sized businesses to provide a retirement plan to employees without having to take on many of the administrative and fiduciary responsibilities. As a participating employer and fiduciary in the Exchange, the administrative tasks of offering a retirement plan are reduced, certain risks are transferred, and there are potential cost savings. TAG will choose an investment firm to select, monitor the plan’s investment lineup and take on ERISA 3(38) fiduciary responsibilities. Businesses offering a retirement plan through the Exchange become a participating employer.

Transamerica Retirement Solutions (“TRS”) serves as the record keeper for this business, handling benefit payments and enrollments, providing support up to and through the plan participant’s transition to retirement. TRS allows plan sponsors and their plan participants to monitor and better manage their investment choices

with investment performance reports, quarterly participant statements, and a participant website at TA-Retirement.com.

The retirement plan services will be described in detail in the retirement plan provider's agreement, or other appropriate disclosure brochure. Client should refer to such documents for a complete discussion of the services offered, including a description of all fees and expenses associated with the program.

- **Transamerica® ONE Wealth Management Platform**

The Transamerica® ONE Wealth Management Platform ("Transamerica® ONE") is a wrap fee program that offers clients access to a fee-based investment management program. Transamerica® ONE is available to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. TFA has entered into an agreement with FOLIO*fn* Investments, Inc. ("FOLIO*fn*"), whereby TFA will administer and sponsor Transamerica® ONE using FOLIO*fn*'s internet-based platform. TFA has entered into contractual arrangements with various Model Managers whose services are available through Transamerica® ONE.

Additionally, TFA is one of the Model Managers for the Transamerica I-Series® model portfolios available within Transamerica® ONE. Transamerica I-Series® model portfolios use strategic and alternative asset allocation model portfolios to establish an individualized model portfolio in accordance with particular investment objectives and risk targets. Within Transamerica® ONE, you may select multiple Transamerica I-Series® model portfolios allowing you to pursue different investment strategies within a single account. Depending upon the model portfolios selected, the underlying assets may include Exchange Traded Products (ETPs), individual equities, and/or mutual funds (collectively "Investment Products"). Within each Transamerica I-Series® model portfolio, the client owns the underlying securities in his or her account.

Additional information about Transamerica® ONE can be found in the Wrap Fee Program Brochure (Form ADV Part 2A Appendix 1).

- **Transamerica® ALPHA Digital Investment Program**

The Transamerica® ALPHA Digital Investment Program ("Transamerica® ALPHA") is a wrap fee program that is sponsored by Betterment, LLC ("Betterment"), a registered investment advisor. TFA's Advisor, among other things, will assist you in

determining if the Transamerica® ALPHA Program is suitable for your initial and ongoing investment needs. Betterment provides an internet based platform through which Betterment provides you discretionary, managed account services as the program's sub-advisor. Betterment uses strategic asset allocation principals for investing your assets and may use Exchange Traded Funds (ETFs) or Exchange Traded Notes (ETNs) as the primary investment assets. Betterment Securities, a broker/dealer that is an affiliate of Betterment, is the broker/dealer and custodian for your account in connection with the program. TFA will not have, nor exercise, discretionary authority over your account in the Transamerica®ALPHA Program.

Clients and prospective clients will receive, and should review, a copy of Betterment's Form ADV Part 2A ("Betterment Disclosure Brochure") which contains additional information regarding Betterment's services, processes, and policies. Clients and prospective clients should understand that the Transamerica ALPHA program is a digital offering and that the primary method of communicating with clients and providing clients' investment advice will be through the Transamerica ALPHA website, mobile applications, or other digital interfaces that we may make available from time to time.

- **Transamerica I-Series® Program**

TFA is the sponsor of and one of several Model Managers within the Transamerica I-Series® Program. Transamerica I-Series® is a wrap fee program which uses strategic and alternative asset allocation model portfolios to establish an individualized model portfolio in accordance with your particular investment objectives and risk tolerance. Within Transamerica I-Series® you may select multiple model portfolios allowing you to pursue different investment strategies within a single account. Depending upon the model portfolios selected, the underlying assets may include Exchange Traded Products (ETPs), and/or mutual funds (collectively "Investment Products"). Each Transamerica I-Series® client owns the underlying securities in his or her account.

TFA Advisors have multiple advisory service programs to offer; however, the Transamerica I-Series® Program may not be available to all Advisors.

Types of Investments

Within each of the advisory services described above, specific advice as to the types of investments to be used is not given by the Advisor, but is determined by the selected TPMM or Model Manager.

TFA's Advisors may provide assistance to the client by explaining any special instructions for the management of the assets in an account; in understanding the investment management process, investment objectives, and the investment strategies undertaken as part of the service; in reviewing and completing the written materials required by the TPMM; in monitoring reports, statements and performance results; in monitoring the client's ongoing needs and financial situation; and in answering questions about the service.

Assets under Management

As of December 31, 2017, TFA had approximately \$1 billion under management.

ITEM 5 – FEES AND COMPENSATION

TFA charges fees for our advisory services. The fees we charge differ among our programs. You will find specific detail for each service below. You should examine carefully your advisory service agreement for the advisory program you select. It provides greater detail with respect to the fees and charges that you will pay for the program you have selected.

<i>Name of Program</i>	<i>Fees are Negotiable between You and Your Advisor</i>	<i>Deduct Fees from Your Account</i>	<i>Other Expenses Charged to Your Account¹</i>	<i>Annual Advisory Fee Breakpoints Offered</i>	<i>Total Annual Advisory Fees Charged</i>
Third-Party Money Management Programs (non-Variable Product)²	Yes	Specific to the third-party money manager (Please refer to their Form ADV Part 2A)	Dependent on the third-party money manager selected.	Specific to the third-party money manager (Please refer to their Form ADV Part 2A)	Not to exceed 2.60%
Variable Product Third-Party Money	Yes	Specific to the third-party money manager	Variable product expenses as described in your	Specific to the third-party money manager (Please refer	Not to exceed 1.80% ³

<i>Name of Program</i>	<i>Fees are Negotiable between You and Your Advisor</i>	<i>Deduct Fees from Your Account</i>	<i>Other Expenses Charged to Your Account¹</i>	<i>Annual Advisory Fee Breakpoints Offered</i>	<i>Total Annual Advisory Fees Charged</i>
Management Program²		(Please refer to their Form ADV Part 2A)	product prospectus. ³	to their Form ADV Part 2A)	
Transamerica® ONE Wealth Management Platform	No	Monthly in arrears.	Yes, as detailed in account establishment paperwork.	Yes	Not to exceed 2.50%
Employee Benefit Services	Yes	Specific to selected platform.	Specific to selected platform.	No	Varies ⁴
Transamerica® Alpha Program	Yes	Quarterly in arrears.	Please refer to Betterment's Wrap Fee Brochure for additional fee information.	No	1.00-1.35% ⁵
Transamerica I-Series® Program	No, however Advisor may waive the advisory fee	Monthly in arrears.	Accounts under \$100,000 are charged a quarterly fee of \$25	Yes	Not to exceed 2.50%

¹ Client may also incur certain charges imposed by third parties other than TFA and Advisor in connection with investments made through Client's Account, including, without limitation, the following types of charges which are generally charged by mutual funds and fully disclosed in the prospectus for each fund: 12(b)-1 fees, management fees and administrative servicing fees, other transaction charges and service fees, and IRA and Qualified Retirement Plan fees.

² TFA's Advisors do not establish the specific fee charged by the TPMM for whom the Advisors solicit business. TFA's Advisors also do not establish the termination procedures for a TPMM for which the Advisor solicits business. Clients pay advisory fees directly to the TPMM and the TPMM in turn compensates TFA. TFA pays a portion of this fee to its Advisors. TFA does not mark up any of the fees charged by the TPMM. Clients receive a Disclosure Statement that describes the fee paid to TFA by the TPMM. TPMMs will typically require that Clients authorize automatic fee deduction from the

advisory account. In many cases, the TPMM will also charge fees on cash positions held within client accounts. Clients should refer to the TPMM's Form ADV Part 2A or other Disclosure Brochure for a complete discussion of the fees and termination procedures associated with the particular advisory program in which they will participate.

All fees paid by a client to a TPMM for model portfolio management services are separate and distinct from the fees and expenses which may be charged by investment companies such as mutual fund fees and expenses. Such fees and expenses will generally include, but are not limited to, a management fee, other fund operating expenses, possible distribution fees, and/or administrative fees. You may pay an initial or deferred sales charge or surrender fee if the fund also imposes sales charges or surrender fees.

Participation in TPMM advisory services offered through TFA may cost you more than purchasing similar services separately directly through a TPMM. However, certain TPMM services may not be offered directly to clients and may only be available through an introducing Investment Advisor such as TFA. As of June 9, 2017 no new accounts may be opened directly with a TPMM except for certain specialized self-directed brokerage accounts. Existing business will be allowed to remain and new assets may be added. ³ The Annual Advisory Fee does not represent those fees and expenses charged by the variable product issuer such as Mortality and Expense, Administrative Charges, and Product Rider or Enhancement Charges, or Variable Subaccount Operating Expenses. For a more complete description of these fees and expenses, please refer to your variable product account establishment paperwork and prospectus (es).

⁴ For retirement plans, the Advisor's target fee range will be between .05% and 0.50% annually. This negotiable fee will be in addition to the TPMM's fee which can be found in the TPMM's Form ADV Part 2A or other Disclosure Brochure. Solicitation fees may be charged monthly or quarterly in arrears or in advance depending on the TPMM. Also, other fees such as plan establishment fees, plan conversion fees, and plan administration and compliance fees may be applicable, and will be disclosed in the account establishment documentation.

⁵ The Total Annual Advisory Fee charged may be higher than the fees charged by other investment advisors for similar services. For instance, Betterment, LLC offers direct-to-consumer services similar to TransAlpha. Therefore, clients could generally pay a lower advisory fee for algorithm-driven, automated ("Digital Advisor") investment advisory services by going direct to Betterment, LLC or other similar Digital Advisors. However, clients who go direct to a Digital Advisor will forego the opportunity to work

directly with a personal financial advisor. TFA reserves the right to waive or lower the fee in certain cases.

Additional Information About Third-Party Money Management Programs

Depending on your account balance and/or model portfolios selected within the Third-Party Money Management programs available through TFA, the same or similar investment management strategies or model portfolios may be available within Transamerica® ONE at different pricing levels which may be more or less expensive to you.

The TPMMs may use other custodians such as, but not limited to, Schwab, Pershing or Fidelity. These custodians will deduct the advisory fee directly from your account or, if you have more than one account, from the account you have designated for payment of your advisory fees. Please refer to your account establishment paperwork, custodial account paperwork, and/or TPMM's Form ADV Part 2A or similar Disclosure Brochure for additional details on fees and expenses.

You will receive periodic financial statements (or notification that your financial statements are available to view online) directly from your account custodian. These statements will show all transactions, positions and credits/debits (deposits/withdrawals) in your account. These statements will reflect deductions for advisory fees paid by you to us.

It should also be noted that Flexible Plan Investments, Ltd. ("Flexible Plan") offers a Small Account Program which allows clients to establish single accounts with an initial balance of less than \$25,000 and has a minimum account size of \$5,000. A one-time, non-refundable administrative set-up fee equal to the lesser of three percent (3%) of the initial balance of the account or \$350.00 shall be due and payable upon the establishment of such an account. This fee is separate from the quarterly advisory fee paid to Flexible Plan. Additional details about the Small Account Set-Up Fee can be found in Flexible Plan's Form ADV Part 2A.

Transamerica® ONE Wealth Management Platform

For accounts opened within Transamerica® ONE, TFA has established the following fee schedule for our Advisors:

<u>Account Balance</u>	<u>IAR Fee*</u>
\$25,000 to \$250,000	1.10%
\$250,001 to \$500,000	1.00%
\$500,001 to \$1,000,000	0.90%

\$1,000,001 to \$2,000,000	0.80%
Over \$2,000,001	0.70%

** Represents annual fees for services and advice provided by your Advisor as a percentage of assets under management.*

The total client fees for Transamerica® ONE include the IAR's fee and the Portfolio Management and Administration Fee, the total of which ranges from 0.90% to 2.00% annually depending on the model portfolio selected and the amount invested. These fees may be lower for larger accounts. All fees are billed monthly, in arrears, and are calculated by the custodian using the account's average daily balance for the preceding month. All securities and cash positions held within Transamerica® ONE are considered billable assets. Cash positions held outside of a model portfolio may be subject to reduced fees.

The Transamerica I-Series® model portfolios may be more expensive to clients who purchase the model portfolio through the Transamerica® ONE program rather than directly from TFA.

Depending on your account balance and/or model portfolios selected within Transamerica® ONE, the same investment management strategies or model portfolios may be available within the Third-Party Money Management programs available through TFA at different pricing levels which may be more or less expensive to you.

Please refer to the account establishment paperwork for Transamerica® ONE for additional details on fees and expenses.

Refunds

For clients with assets managed within Third-Party Money Management Programs, please refer to the termination provisions and, if applicable, fee refund provisions in your TPMM's advisory service agreement, account opening paperwork, and/or Form ADV Part 2A or similar Disclosure Brochure.

For clients receiving investment advisory services on variable products, such as a VA or VUL policies, who terminate their advisory relationship with us or their selected TPMM, your assets will remain under the custody of the issuing insurance company or the issuing insurance company's designated custodian. You should refer to the termination provisions and, if applicable, fee refund provisions in your TPMM's advisory service agreement, account opening paperwork, and/or Form ADV Part 2A or similar Disclosure Brochure.

For clients with assets in Transamerica® ONE, the client services agreement will continue in effect until you or TFA terminates it by giving written notice to the other. If you terminate the client services agreement within five (5) business days of signing, you will receive a full refund of all fees and expenses. If you terminate the client services agreement after five (5) business days of signing, any prepaid fees will be prorated and you will receive the unearned portion. The client services agreement will also terminate should the agreement between TFA and FOLIO*fn* terminate. Upon termination, neither TFA, Advisor, FOLIO*fn* nor any of the Model Managers will have any obligation to recommend or take any action with regard to the securities, cash or other investments in your Transamerica® ONE account. Upon termination of the client services agreement with TFA, your account assets held within your Transamerica® ONE account will remain under the custody of FOLIO*fn* until you provide the required account transfer instructions to FOLIO*fn*.

Changes in Fees

TFA, upon 30 days prior notice to clients, may revise the advisory fee or other miscellaneous fees, including in a way that may cause the fees payable to the client to increase. A client will be deemed to have approved a fee change unless he or she objects to the fee change by sending written notice to TFA within 30 days from the date of the fee increase notification. We further reserve the right to negotiate, discount or waive any fees associated with an advisory program in general or payable by any particular client or group of clients in TFA's sole discretion. Furthermore, TFA employees and employees of affiliates may be entitled to fee discounts by virtue of their employment.

Conflicts of Interest

Transamerica® ALPHA Digital Investment Program

TFA and your Advisor will receive a portion of your total fee (1.00-1.35% annually) for our ongoing advisory, administrative and marketing services related to the program. Once TFA has placed \$100 million in assets into the Transamerica® ALPHA Program, TFA will receive additional compensation from Betterment for its administrative and marketing services related to the program. The total fee charged to Clients will not change, however, this additional compensation does provide TFA and its Advisors an incentive to recommend the Transamerica® ALPHA Program over other services/products that may be more suitable for your investment needs.

Transamerica® ONE Wealth Management Platform

TFA is the sponsor of and one of several Model Managers within the Transamerica® ONE program. TFA may earn additional compensation that it would not otherwise earn when

you elect to participate in the Transamerica® ONE program as opposed to other investment management or similar advisory service programs.

Transamerica® ONE is a wrap fee program which uses strategic and alternative asset allocation model portfolios to establish an individualized model portfolio in accordance with your particular investment objectives and risk tolerance. Depending upon the model portfolios selected, the underlying assets may include ETPs, individual equities, and/or mutual funds (collectively “Investment Products”). Due to TFA’s advisory service fees within the Transamerica® ONE program, you may be able to purchase such investment products in other accounts or programs at a lower cost than participating in the model portfolios available to you in this program.

Transamerica I-Series® Program

TFA is the sponsor of and one of several Model Managers within the Transamerica I-Series® program. TFA may earn additional compensation that it would not otherwise earn when you elect to participate in the Transamerica I-Series® program as opposed to other investment management or similar advisory service programs.

Transamerica I-Series® is a wrap fee program which uses strategic and alternative asset allocation model portfolios to establish an individualized model portfolio in accordance with your particular investment objectives and risk tolerance. Depending upon the model portfolios selected, the underlying assets may include ETPs, and/or mutual funds (collectively “Investment Products”). Due to TFA’s advisory service fees and management fees within the Transamerica I-Series® program, you may be able to purchase such investment products in other accounts or programs at a lower cost than participating in the model portfolios available to you in this program.

Variable Product Advisory Program

TFA recognizes that many clients desire to have additional assistance with the management of their variable product’s sub-account allocations. As a result, Advisors through TFA’s Variable Product Advisory Program, are able to offer these clients additional allocation assistance through various Third-Party Money Manager relationships. However; as of June 9, 2017, no new accounts may be opened directly with a TPMM except for certain specialized self-directed brokerage accounts. Existing business will be allowed to remain and new assets may be added.

In certain cases in which the underlying variable product is not a no-load/non-commissionable VA or VUL product, the compensation payments associated with these products, may present a conflict of interest. Variable products may have previously been sold to you through your Advisor while they were acting in the capacity of a Registered Representative of TFA’s registered broker/dealer. In such cases, some variable products

may have paid a commission on the initial sale of the variable product to TFA which would have been shared with the Registered Representative. If you subscribed to TFA's Variable Product Advisory Program prior to January 1, 2014, your Advisor may have received: (1) the commissions paid, including any ongoing trail compensation, on the original sale of the variable product and (2) the ongoing advisory fees paid for the investment management services offered in this program.

In an effort to reduce the potential conflict of interest, TFA and its Advisors would not have accepted or applied any advisory fees for the investment management services offered for a period of three years when TFA or its Advisors received commission compensation on the sale of your variable product as a registered broker/dealer or Registered Representative. However, if you chose to participate in TFA's Variable Product Advisory Program through a Third-Party Money Manager recommended by your Advisor, the Third-Party Money Manager may still have applied and/or accepted advisory fees for the investment management services offered by such Third-Party Money Manager regardless of any commission compensation paid to TFA or its Advisors during any time period.

World Financial Group Insurance Agency

Your Advisor may also be able to offer you fixed insurance products through his or her affiliation with World Financial Group Insurance Agency ("WFGIA"). If you purchase non-variable insurance contracts from your Advisor acting in their capacity as a WFGIA Agent, you may pay a normal and customary insurance commission for the purchase of the product. In these cases, your Advisor may receive a commission as an insurance agent of WFGIA. Such commission is paid directly to the applicable Advisor, as an insurance agent, from the issuer of the insurance product through WFGIA. Receipt of these commission payments creates a conflict of interest. The Advisor has an incentive to recommend certain non-variable insurance contracts that are available through his or her affiliation with WFGIA for which the Advisor may receive greater compensation instead of certain investment advisory services through TFA that may be more suitable for you. TFA endeavors at all times to recommend only those advisory services that meet its clients' needs and objectives, regardless of the potential for receiving additional payment. In cases where additional payment will be received by an Advisor, such payment will be disclosed to you prior to the transaction being placed. You may choose not to implement any recommendations made by your Advisor.

Retirement Plan Exchange

The Retirement Plan Exchange is administered by TAG Resources ("TAG"), a third party administrator, 3(16) and 3(21) fiduciary. TFA is not affiliated with TAG Resources. In connection with the provision of retirement plan services for the Client within the Exchange, you may be able to purchase less expensive share classes of mutual funds in other accounts or programs than the ones currently being used in the Exchange.

Additional Conflicts of Interest

Summit Global Investments, LLC, an unaffiliated third-party money management firm and independent investment adviser registered with the Securities and Exchange Commission, has entered into an agreement with TFA to provide certain investment advisory services to TFA clients. Richard Thawley is a TFA representative that is only registered with the broker/dealer of TFA and not the investment advisor. Mr. Thawley is a private investor in Summit Global and may benefit from business referred to Summit Global by TFA investment advisor representatives. We resolve this conflict by monitoring the appropriateness of the recommendations made to you by our Advisors on all products you purchase.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

TFA does not charge advisory fees based on a share of the capital gains on or capital appreciation of funds or securities in your account. These fees are also called performance-based fees. TFA's advisory fee compensation is charged only as disclosed above in Item 5.

ITEM 7 – TYPES OF CLIENTS

TFA provides investment advisory services to individuals, high-net worth individuals, pension and profit sharing plans, corporations or other businesses, trusts, estates and charitable organizations. Accounts available through us have minimum investment amounts starting at \$5,000, however, this minimum may vary depending on the account program selected by the client. The TPMM selected by you may choose to open an account with a minimum less than \$5,000 depending on the account program and if you have other related accounts managed by the TPMM. Employee benefit accounts, such as 401K plans, can in certain cases be opened with no account minimum. In the Transamerica® Alpha Program, the minimum investment is \$10 to establish an account.

TFA has established conditions for opening and maintaining advisory accounts. Specifically, advisory clients must complete a Customer Account Information form or Client Profile form for certain programs. Either form will provide us with information such as name, address, date of birth and other information used to identify you. TFA may use third-party sources to verify and/or update the information provided and may also request to see your driver's license or other identifying documents.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Third-Party Money Manager Programs

Advisors may assist you in selecting a TPMM whose investment strategies suit your needs and financial objectives. Assistance may also be provided to you in explaining the differences among the TPMMs available. Advisors may also provide assistance to you by explaining any special instructions for the management of the assets in your account; in understanding the investment management process, investment objectives, and the investment strategies undertaken as part of the service; in reviewing and completing the written materials required by the TPMM; in monitoring reports, statements and performance results; in monitoring your ongoing needs and financial situation; and in answering questions about the service.

TFA selects TPMMs who are registered investment advisors based upon the following criteria:

- Track record
- Investment strategy
- Public reports comparing advisors and their managers
- Disclosure documents

The methods of analysis, sources of information and investment strategies used by TPMMs will vary among Model Managers. We encourage you to read each TPMM's Disclosure Brochures, Form ADV Part 2A and any other document you receive prior to entering into an agreement with a third-party money manager. TPMMs will exercise discretion over your account assets.

A risk associated with this type of analysis is that past performance is not a guarantee of future results. While a TPMM may have demonstrated a certain level of success in past economic times, the TPMM may not be able to replicate that success in future markets. In addition, just because a TPMM may have invested in a certain manner in past years, such TPMM may deviate from its strategy in future years. To mitigate this risk, TFA attempts to select TPMMs with proven track records that have demonstrated a consistent level of performance and success. TFA also conducts annual due diligence on the TPMMs.

Transamerica® ONE Wealth Management Platform

Additional information related to the method of analysis, investment strategies, and risk of loss relevant to Transamerica® ONE can be found in the Wrap Fee Program Brochure (Form ADV Part 2A Appendix 1).

Transamerica I-Series® Program

In the Transamerica I-Series® program (“I-Series Program”), TFA uses its own proprietary investment model portfolios for some of the asset allocation strategies. These were created using risk/return analysis of historical data that includes multiple market cycles. TFA also analyzes the performance of various asset classes such as equity, fixed income, commodities, real estate and cash. These asset classes are then broken out into further subsets based on factors such as market capitalization and international and domestic markets. The ETFs, ETNs and similar securities for each asset class or subclass, are selected based on various data including expense ratio, performance history, liquidity, underlying index, provider diversification and number of holdings. Each asset allocation model portfolio, as well as your personal model portfolio, is rebalanced periodically to the targeted asset allocation.

In addition to using our proprietary investment model portfolios in the I-Series® Program, TFA has retained independent firms to create asset allocation model portfolios (“Third-Party Model Portfolios”). These independent asset managers are referred to as “Model Managers”. TFA may, from time to time, replace existing Model Managers or hire others to create Third-Party Model Portfolios. The Model Managers are responsible for all investment selections for the model portfolios that they create. Model Managers will not have direct investment discretion over your model portfolio. From time to time, Model Managers will update their model portfolios and instruct us to add, remove, or rebalance your securities holdings. TFA, along with the Model Managers, will monitor the performance of the investments in the Third-Party model portfolios on a periodic basis.

Risk of Loss

Although TFA works hard to preserve your capital assets and increase your wealth, investing in securities can involve a risk of loss to your principal (invested amount) and any unrealized profits. For example, securities may not be sold at the appropriate time to achieve a profit. Certain strategies may impose more risk than others. As a fiduciary, TFA will strive to provide investment advice for your model portfolio that is in your best interests.

The risk of loss can increase based on the securities held in the account and how those securities are purchased. Some examples of risks include the following:

- Fluctuating stock markets and bond markets along with recent global and domestic economic events influencing these markets.
- Purchasing securities on margin where you could lose more funds or securities than were deposited.
- Writing or selling an option contract (*e.g.*, a call, put, or straddle) without depositing the underlying security. Your risk of loss is potentially unlimited.
- Purchasing inverse or leveraged mutual funds and exchange traded products. These securities could suffer losses even if the long-term performance of the underlying index or benchmark showed a gain.

TFA will strive to provide investment advice for your assets to the best of our ability; however we cannot guarantee any level of performance or prevent losses in your account assets.

Material Investment Risks

TFA's advisory program offers multiple investment strategies to satisfy a wide variety of investment and risk profiles, ranging from the most aggressive portfolios to the most conservative. In general, the advisory programs offered through TFA are subject to the risks noted below. However, the investments strategies that have higher concentrations in equity investments are subject to greater risk, such stock market volatility and foreign exposure. Investments strategies that have a higher concentration in fixed income securities have greater exposure to credit, interest rate, and liquidity risks.

Risk of Loss: All investments in securities include a risk of loss of clients principal. Stock markets and bond markets fluctuate over time and clients may lose money. Clients should be prepared to lose money in an investment account offered through TFA. Investments are not a deposit of a bank and not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. You may lose money by investing in mutual funds, individual equities, or ETFs. Each investment strategy offered by the advisory programs offered by TFA pose risks, and many factors affect each investment's or account's performance. Investments or accounts are also subject to volatility in non-U.S. markets through either direct exposure or indirect effects in the U.S. markets from events abroad. Investments or accounts that seek exposure to debt are subject to risks of prepayment or

default, and funds that our pursue strategies that concentrate in particular industries or otherwise subject to particular segments of the market may be significantly impacted by events affecting those industries or markets. In addition, the investments in your advisory account may be subject to the following specific risks:

Investing in Mutual Funds and ETPs: Your account bears all the risk of the investment strategies employed by the mutual funds and ETFs held in your account, including the risk that a mutual fund or ETF will not meet its investment objectives. For the specific risks associated with a mutual fund or ETF, please see its prospectus.

Reliance on Technology; Cybersecurity (TransAlpha): TFA's investment activities and investment strategies are dependent upon algorithms, as well as other various other computer and telecommunications technologies, many of which are provided by or are dependent upon third parties such as data feed, data center, telecommunications, or utility providers. The successful deployment, implementation, and/or operation of such activities and strategies, and various other critical activities of TFA on behalf of its clients, could be severely compromised by system or component failure, telecommunications failure, power loss, a software-related "system crash," fire or water damage, human errors in using or accessing relevant systems, unauthorized system access or use (e.g., "hacking"), computer viruses, or various other events or circumstances. It is not possible to provide full proof protection against all such events, and no assurance can be given about the ability of applicable third parties to continue providing their services. Any event that interrupts such computer and/or telecommunications systems or operations could have a material adverse effect on TFA's clients, including preventing TFA from trading, modifying, liquidating, and/or monitoring its clients' investments. In addition, clients should be aware of the risk of attempted cyber-attacks and harm to technology infrastructure and data from misappropriation or corruption. Due to TFA's and Betterment's interconnectivity with third party vendors, central agents, exchanges, clearing houses, and other financial institutions, TFA and Betterment could be adversely impacted if any of them is subject to a cyber-attack or other information security event. Although TFA and Betterment take proactive measures and endeavors to modify them as circumstances warrant, their computer systems, software, and networks may be vulnerable to unauthorized access, issues, computer viruses or other malicious code, and other events that could have a security impact.

Algorithms Risks (TransAlpha): The use of algorithms to provide investment advisory advice carries the risk that changes to algorithm's code may not have the desired effect with respect to client accounts. While this risk increases if changes to the algorithms are insufficiently tested prior to implementation, even extensively tested changes may not produce the desired effect over time. The algorithms used in the TransAlpha are based on a number of assumptions, which may have inherent limitations.

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

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

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuation in the value of the dollar against the currency of the investment's originating country.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate).

Business Risk: These risks are associated with a particular industry or a particular company within an industry.

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

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

Credit Risk: Changes in financial condition of an issuer or counterparty, and changes in specific economic or political conditions that affect a particular type of security or issuer, can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. Lower quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.

Foreign Risk: Foreign securities are subject to interest rate, currency exchange rate, economic, regulatory, and political risks, all of which may be greater in emerging markets. These risks are particularly significant for funds that focus on a single country, region, or emerging markets. Foreign markets may be more volatile than U.S. markets and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile. Foreign exchange rates may also be extremely volatile.

ITEM 9 – DISCIPLINARY INFORMATION

As mentioned in Item 4, TFA is both a broker/dealer and a Registered Investment Adviser. In the last ten years, we have had 11 disciplinary events that are material to your evaluation of us. Two of these events involve charges brought by the Securities and Exchange Commission (“SEC”). Four of the events involve charges brought by our self-regulatory organization, Financial Industry Regulatory Authority, Inc. (“FINRA”) formerly known as the National Association of Securities Dealers. Five of the events involve charges brought by state regulatory agencies.

SEC Proceedings

On August 27, 2018, the Securities and Exchange Commission (“SEC”) instituted a settled public administrative cease-and desist- proceeding naming TFA and certain of its affiliates (“Order”) As to TFA, the Order relates to, among other things, errors in certain models used by TFA in its Transamerica I-Series® and Transamerica ONE programs. The Order also states that the parties failed to make appropriate disclosures regarding these matters. In addition, the Order states that the parties failed to have adequate policies and procedures. The models at issue in the case were managed by an affiliate, AEGON USA Investment Management, LLC (“AUIM”) and by F-Squared Investments, Inc. (“F-Squared”). The models managed by AUIM were the Global Tactical Allocation – Conservative, Global Tactical Allocation– Balanced, Global Tactical Allocation – Growth, Tactical Fixed Income, Global Tactical Income and Global Tactical Rotation models. The models managed by F-Squared were the AlphaSector Rotation Index, AlphaSector Premium Index and World Allocator Premium Index. These strategies are no longer offered by TFA and neither AUIM nor F-Squared currently provide model management services to TFA. The strategies developed by AUIM and F-Squared were offered by TFA in the Transamerica I-Series® and Transamerica ONE programs between 2011 and 2015.

TFA has settled this matter with the SEC. We agreed to a censure, to pay a penalty of \$800,000, to pay disgorgement of \$1.7 million plus \$258,162 in pre-judgment interest, and to cease and desist from violating certain securities laws and regulations. The disgorgement, interest and penalties have been paid to a Fair Fund (“Fund”) for eventual distribution to affected investors who purchased or held an interest in the AUIM and F-Squared strategies in the Transamerica I-Series® and Transamerica ONE programs from July 2011 through June 2015. The Order states that these investors are to receive from the Fund an amount related to the pro rata fees and commissions paid by them during that period, plus interest, subject to a de minimis threshold.

In accepting the settlement, the SEC considered the substantial cooperation and the remedial efforts of TFA and its named affiliates. In the Order, the SEC acknowledged that, after the start of the SEC staff’s investigation but before the settlement, TFA and the named affiliates had voluntarily retained a compliance consultant to conduct a comprehensive independent review of certain compliance policies and procedures, internal controls and related procedures, and that the consultant’s written findings had been received and proposed changes implemented. The SEC also acknowledged that, in advance of receiving recommendations from the independent compliance consultant, TFA and its affiliates had already begun making revisions and improvements to their compliance policies and procedures. The SEC also considered that TFA and its affiliates have retained the independent compliance consultant for further reviews.

The settlement does not impose any restrictions on the business of TFA.

The foregoing is only a brief summary of the Order. A copy of the Order is available on the SEC’s website at <https://www.sec.gov>.

On April 3, 2014, the Securities and Exchange Commission (“SEC”) signed an Order Instituting Administrative and Cease-and-Desist Proceedings relating to the aggregation of advisory accounts for billing purposes in the Capital, Sterling, and Advantage Programs by Transamerica Financial Advisors, Inc. (“TFA”). We agreed to a censure, a fine of \$553,624, and to retain the services of an independent consultant to conduct a review of our policies and procedures. We also undertook remedial efforts by providing refunds and credits to accounts of clients and former clients who were overcharged fees. This matter pertained to the firm failing to apply advisory fee discounts to certain retail clients in several of its advisory fee programs contrary to its disclosures to clients and its policies and procedures.

On November 22, 2010, the firm entered into an Order with the Securities and Exchange Commission. Without admitting or denying the allegations, we agreed to pay a fine of \$200,000 and to retain the services of an outside vendor to provide suitability training to each of the firm's registered representatives for a two-year period. This matter pertains to the SEC alleging that the firm did not provide adequate supervision to representatives in a California-based office from the beginning of 2006 through May 2007. The SEC also believed that certain registered representatives of that office made unsuitable securities recommendations to clients during that time.

FINRA Proceedings

On March 23, 2009, FINRA accepted our Letter of Acceptance, Waiver and Consent in which we proposed a settlement of alleged NASD rule violations. TFA agreed to a censure and fine of \$50,000. This matter related to the trade-by-trade review we conducted as part of a breakpoint assessment required by FINRA.

On December 21, 2010, FINRA accepted our Letter of Acceptance, Waiver and Consent in which we proposed a settlement of alleged NASD rule violations. TFA agreed to a fine of \$50,000. TFA further agreed to review the adequacy of our policies, systems and procedures for determining whether new products are securities and to provide a written description of the policies, systems and procedures and certification to FINRA.

On January 20, 2015, FINRA accepted our Letter of Acceptance, Waiver and Consent in which we proposed a settlement of alleged FINRA rule violations. TFA agreed to a censure and fine of \$50,000. This matter pertained to an inaccurate Form U5 and inaccurate and misleading Amended Form U5 filed by the firm relating to the termination of a registered representative.

On July 27, 2015, FINRA accepted our Letter of Acceptance, Waiver, and Consent in which we proposed a settlement of alleged FINRA rule violations. TFA agreed to a censure and fine of \$85,000 and paid restitution to impacted Clients in the amount of \$51,066.08 (plus interest). This matter pertained to the broker/dealer failing to identify and apply volume discounts to certain Clients' eligible purchases of non-traded real estate investment trusts (REITs) and business development companies (BDCs), resulting in customers paying excessive sales charges of approximately \$51,000. Also, the broker/dealer failed to establish, maintain, and enforce a supervisory system and written supervisory procedures with respect to the sale of non-traded REITs and BDCs.

State Proceedings

On February 17, 2009, we entered into a Consent Order with the State of North Dakota Securities Department relating to the supervision of a registered representative who had sold unregistered promissory notes. Without admitting or denying these allegations, TFA paid a fine of \$90,000. In addition, TFA informed supervisory and compliance officers and field auditors about the Order; reminded them of the importance of uncovering and preventing selling away activities; and instructed them to review bank records of our registered representatives and investment advisor representatives.

On December 2, 2009, we entered into a Consent Order with the State of Nevada Securities Division. Without admitting or denying the allegations, TFA agreed to pay a fine of \$30,000 and to take remedial action to ensure that our registered representatives comply with the firm's internal policies and procedures relating to entry of rejected trades on the branch office trade blotter.

On April 15, 2010, we entered into a Consent Order with the State of Nevada Securities Division. TFA agreed to pay the State \$15,000 for the cost of its investigation into a matter which the firm reported to the State. Also, restitution in the amount of \$382,200 was paid by the firm as a result of a former registered representative selling unregistered securities, without the firm's knowledge, to six individuals.

On May 17, 2010, TFA agreed to pay an administrative penalty in the amount of \$25,000 to the Arizona Corporation Commission and we were required to undertake remedial measures as directed by the State for a period of three years. TFA also paid restitution in the amount of \$828,501. This matter pertained to the sale of unapproved products by former registered representatives of the firm.

On August 2, 2011, we entered into a Consent Order with the State of Florida Office of Financial Regulation. Without admitting or denying the allegations, TFA agreed to pay an administrative fine of \$50,000. The State of Florida found that TFA failed to reasonably supervise a former representative in violation of Section 517.161(1)(H) Florida Statutes and Rule 69W-600.013(1)(H)1 Florida Administrative Code.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As stated in Item 4, TFA is also a broker/dealer. In general, TFA's Advisors, management team, and most of TFA's Investment Committee members are Registered Representatives of TFA's broker/dealer. All of TFA's Advisors are also affiliated with World Financial Group Inc., a financial services marketing company that is affiliated with TFA.

TFA is a member of the Transamerica Group of companies. These companies include investment companies that offer mutual funds and variable insurance products. Many of these products are allowed to be purchased by the various TPMMs or Model Managers available in TFA's programs. Based on TFA's affiliation with various investment companies and variable insurance companies, a conflict of interest may exist due to the compensation paid to TFA by these companies and compensation gained by our affiliates through fees and expenses charged to you on their products. This compensation is in addition to the advisory fees you pay to TFA. TFA resolves this conflict by monitoring the appropriateness of the recommendations made to you by TFA's Advisors on all products you purchase including those products issued by TFA's affiliates.

TFA has contracts with TPMMs who are also investment advisors that offer fee-based advisory programs. These relationships were described in Item 4. These third-party money managers are not affiliated with TFA and they pay TFA a portion of the fees you pay to them. This is considered a material conflict of interest. The cost of placing your assets with one of these TPMMs may be higher than placing your assets in another advisory account.

Broker/Dealers under Common Control with AEGON N.V.

The following FINRA registered broker/dealers are under common control with TFA. TFA and each of these other broker/dealers are indirect, wholly-owned subsidiaries of AEGON N.V.

- Transamerica Investors Securities Corporation
- Transamerica Capital, Inc.

Transamerica Capital, Inc. is the principal underwriter for variable annuity and life insurance products offered by our affiliated insurance companies. TFA has a selling agreement with this broker/dealer that compensates us for selling these products. This firm is also a wholesale distributor of Transamerica products. Such compensation may create a conflict of interest for TFA and its Advisors. TFA resolves this conflict by monitoring the appropriateness of the recommendations made to you by TFA Advisors on all products you purchase including those products issued by our affiliates.

Investment Companies under Common Control with AEGON N.V.

TFA has an agreement to sell mutual funds of one of our related investment companies, Transamerica Funds. Through TFA's affiliated insurance companies, we have the ability to offer insurance products which may contain shares of the Transamerica Series Trust

and/or Transamerica Partners Funds, both affiliated investment companies. TFA receives compensation from these sales. Such compensation may create a conflict of interest for TFA and its Advisors. TFA resolves this conflict by monitoring the appropriateness of the recommendations made to you by TFA Advisors on all products you purchase including those products issued by our affiliates.

Registered Investment Advisers under Common Control with AEGON N.V.

The following SEC Registered Investment Advisers are under common control with TFA. TFA and each of these advisory firms are indirect, wholly-owned subsidiaries of AEGON N.V.

- Transamerica Asset Management, Inc. (“TAM”);
- AEGON USA Investment Management, LLC (“AUIM”);
- Transamerica Retirement Advisors, Inc.;

TFA is the sponsor of and one of several Model Managers within the Transamerica I-Series® program. TFA may earn additional compensation that it would not otherwise earn when you elect to participate in the Transamerica I-Series® program as opposed to other investment management or similar advisory service programs. Due to TFA’s advisory service fees and management fees within the Transamerica I-Series® program, you may be able to purchase such investment products in other accounts or programs at a lower cost than participating in the model portfolios available to you in this program.

Insurance Companies or Agencies under Common Control with AEGON N.V.

TFA has material relationships or arrangements with a select group of product sponsors (“Sponsoring Companies”), some of which are affiliated insurance companies/agencies. In certain cases, some of TFA’s officers may be personally affiliated with our affiliated insurance companies/agencies. In addition, due to TFA’s registration as a broker/dealer, TFA may also receive additional compensation in the form of revenue sharing payments when you purchase products through these insurance companies/agencies. A summary of TFA’s Revenue Sharing and current Sponsoring Company compensation arrangements can be found at the Home Page of TFA’s website at www.tfaconnect.com under Revenue Sharing. Such revenue sharing payments may create a conflict of interest for TFA and its Advisors. TFA resolves this conflict by monitoring the appropriateness of the recommendations made to you by TFA Advisors on all products you purchase including those products issued by our affiliates.

The following is a list of TFA’s affiliated insurance companies/agencies with which TFA conducts business:

- Transamerica Premier Life Insurance Company
- InterSecurities Insurance Agency, Inc.
- Transamerica Life Insurance Company
- Transamerica Financial Life Insurance Company
- World Financial Group Insurance Agency, Inc. (DBA World Financial Insurance Agency, Inc. in California)
- World Financial Group Insurance Agency of Hawaii, Inc.
- World Financial Group Insurance Agency of Massachusetts, Inc.
- World Financial Group Insurance Agency of Wyoming, Inc.
- WFG Insurance Agency of Puerto Rico, Inc.

Your Advisor may be able to offer you insurance products through his or her affiliation with one or more of these agencies. When you purchase insurance products through your Advisor and our Affiliated Agencies, your Advisor and TFA’s Affiliated Agencies will receive commission compensation.

ITEM 11 – CODE OF ETHICS

TFA has adopted a Code of Ethics and an Insider Trading Policy (“Code”). This Code is designed to ensure that TFA meets our fiduciary obligation to you and our prospective clients, that we conduct our advisory services with the highest level of ethical standards, and that we instill a culture of compliance within our firm.

Our Code is comprehensive and is distributed to each home office employee and Advisor (collectively “Access Persons”) at the time of hire, and annually thereafter. TFA also supplements the Code with annual training and ongoing monitoring of the activity of Access Persons.

TFA’s Code includes the following requirements for TFA Access Persons:

- Maintain the principles of honesty, integrity, professionalism and comply with federal and state securities laws;
- Follow all policies and procedures contained in our manuals, bulletins, and supervisory directives and cooperate with any investigation or inquiries;
- Maintain the privacy and confidentiality of information provided by our clients;
- Refrain from:
 - insider trading
 - accepting gifts and entertainment that exceed our policy standards

- participating in any initial public offerings
- executing a personal transaction in a security for which the Access Person already has a pending buy or sell order for a client.
- Report all gifts and business entertainment;
- Pre-clear personal securities transactions;
- Report on a quarterly basis all personal securities transactions;
- Annually review and certify compliance with our Code.

TFA has also established the following guidelines for TFA Access Persons:

- Our directors, officers and employees are not allowed to buy or sell securities for their personal model portfolio(s) unless the sales information is also available to the investing public. Access Persons are not to place their own interests above yours.
- Any Access Person not complying with these guidelines may be subject to disciplinary action including termination.

You may request a complete copy of our Code by contacting TFA at the address or telephone number displayed on the cover page of this Disclosure Brochure.

ITEM 12 – BROKERAGE PRACTICES

TFA does not have authority to determine which broker/dealer will be used for the advisory services described in Item 4, above, with the exception of Transamerica® ONE. The TPMMs choose their own brokerage and soft-dollar practices, and such practices will be disclosed in the TPMM's Form ADV Part 2A or other disclosure brochure. Clients should refer to the TPMM's disclosure document for a complete discussion of brokerage practices, trade allocation and research or other soft-dollar benefits.

Transamerica® ONE Wealth Management Platform

When you select Transamerica® ONE, you will appoint FOLIO*fn* Investments, Inc. ("FOLIO*fn*") as your exclusive broker/dealer and custodian. Your securities transactions will be executed through and your assets held at this firm. TFA will be solely responsible for directing your purchases and sale transactions to FOLIO*fn*. Additionally, TFA will periodically direct one or more transactions for your account when rebalancing is required. Rebalancing is the process of buying and selling portions of your model portfolio in order to adjust the weight of each asset class to your original asset allocation model portfolio. FOLIO*fn* attempts to obtain the best execution for you; however, there is no guarantee that this will be accomplished. Due to this arrangement with FOLIO*fn*, TFA may be limited or

unable to negotiate commissions, aggregate your orders, or seek execution of transactions as efficiently as possible and at the best price for your account. You may also be paying higher commissions than TFA's other advisory clients.

Transamerica I-Series® Program

When you select the Transamerica I-Series® Program, you will appoint FOLIO*fn* Investments, Inc. ("FOLIO*fn*") as your exclusive broker/dealer and custodian. Your securities transactions will be executed through and your assets held at this firm. TFA will be solely responsible for directing your purchases and sale transactions to FOLIO*fn*. Additionally, TFA will periodically direct one or more transactions for your account when rebalancing is required. Rebalancing is the process of buying and selling portions of your model portfolio in order to adjust the weight of each asset class to your original asset allocation model portfolio. FOLIO*fn* attempts to obtain the best execution for you; however, there is no guarantee that this will be accomplished. Due to this arrangement with FOLIO*fn*, we may be limited or unable to negotiate commissions, aggregate your orders, or seek execution of transactions as efficiently as possible and at the best price for your account.

Trade Aggregation and Allocation Policy

Advisors do not have the ability to execute trades on behalf of clients and as a result, do not aggregate or allocate the purchase or sale of securities for various client accounts.

Within Transamerica® ONE, FOLIO*fn* may aggregate securities purchases or sales orders for Client's Account with similar orders for other accounts if, in its judgment, such aggregation is reasonably likely to result in an overall economic benefit to Client. Some of these aggregated transactions may be made at different prices due to the volume of securities purchased or sold. In such event, allocation of the securities to be purchased or sold, as well as the expenses incurred in the transaction, will be made by FOLIO*fn* in a manner consistent with industry practices.

Within the Transamerica I-Series® Program, TFA may aggregate purchase and sale orders for Client's Account with purchase and sale orders for the same securities for other client accounts using FOLIO*fn* as the executing broker/dealer. However, TFA is under no obligation to aggregate orders. Circumstances may arise under which TFA may determine that there is a limited supply or demand for a security. Under such circumstances, while TFA intends to allocate the opportunity to purchase or sell that security among those accounts on an equitable basis, TFA is not required to assure equality of treatment among all clients in connection with every trade. Where, because of prevailing market conditions,

it is not possible to obtain the same price or time of execution for all securities purchased or sold for Client, TFA will allocate the securities on an average price basis.

Agency Cross Transactions

TFA does not engage in agency cross transactions. An agency cross transaction is a transaction in which TFA would act as an investment advisor and broker/dealer for you on one side of the transaction and another client on the other side of the transaction. However, TFA or any person associated with our firm may buy or sell securities identical to those recommended to you for their personal accounts.

Principal Trading

Generally, TFA does not engage in principal trading. However, we do maintain a “trade error account” in which we buy or sell securities to correct any errors in advisory clients’ accounts. TFA rarely trades for this purpose.

Class Action Lawsuits

TFA does not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor does TFA initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

ITEM 13 – REVIEW OF ACCOUNTS

Review of accounts will be done at least on an annual basis and upon client request. Reviews will be conducted by the Advisor. Please refer to your applicable TPMM’s Form ADV Part 2A or similar disclosure document for information related to the TPMM’s review of its accounts.

Generally, you will receive monthly or quarterly account statements, transaction confirmations, and/or performance reports. The nature and frequency of client reports will vary by the TPMM. We urge you to carefully review these reports and compare your custodial statements with your performance reports. The information in your performance reports may vary from your custodial statements due to accounting procedures, reporting

dates, or valuation methodologies of certain securities. In the event of any discrepancies, you should rely on the statements you receive from the custodian of your assets.

Annually, the Director of Investment Research of TFA's Advisory Services Team, or designee, delivers the firm's Annual Due Diligence Questionnaire to all TPMMs with which TFA has agreements. The Director of Investment Research, or designee, reviews these questionnaires and escalates any irregularity to the Advisory Services Team. If warranted, the matter will be escalated to TFA's Investment Committee. This committee will review the matter and vote to retain or reject the TPMM.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Registration Arrangements

Many of TFA's Advisors are also Registered Representatives of our broker/dealer. In the capacity of a Registered Representative, your Advisor will recommend that you place securities transactions through TFA's broker/dealer. These transactions could include, but are not limited to, the purchase or sale of general securities, mutual funds or variable insurance products. The amount of the commissions for the sale of these products is dictated by the investment companies, their distributors, and/or the broker/dealers through which these transactions are executed. All sales charges and expenses are disclosed in the product prospectus, which you will receive at or before the time of your purchase of the product. When your Advisor executes any general securities transactions for you, the Advisor's commissions are based on TFA's broker/dealer's commission table and may be negotiable. These commissions may be higher or lower than other Registered Representative's commissions, but are believed to be reasonable and competitive.

Marketing Compensation Arrangements

In certain cases, TPMMs and other service providers may pay TFA marketing compensation. The amount and terms of this marketing compensation may increase or decrease from time to time. Any additional marketing compensation paid by the TPMMs or other service providers to TFA will not affect your account, the services provided to you, the fee for advisory services that you pay to the TPMM or other service provider, or the compensation paid by TFA to your Advisor. The existence of a marketing compensation agreement with TPMMs or other service providers can create a conflict of interest for your Advisor and TFA. TFA will earn more revenue due to such marketing compensation agreements, and the Advisor may indirectly benefit from this additional revenue through different educational and marketing initiatives conducted by TFA.

Each of the TPMMs or other service providers that have marketing and referral arrangements with TFA may attend, contribute to, or sponsor education and training

meetings for our Advisors. A TPMM or other service provider may reimburse TFA for up to 100% of the cost of these meetings. These contributions and reimbursements create a potential conflict of interest because meeting sponsors have more opportunities to provide Advisors with education on investments, their investment management services, industry trends, and other issues; and because TFA benefits from these contributions and reimbursements.

Solicitors Arrangements

TFA may, from time to time, enter into Solicitor Agreements with separately-registered investment advisors that may be affiliated or unaffiliated with us. These agreements allow these registered investment advisors to offer our advisory programs on a solicitor's basis, pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940.

On occasion, third persons ("Solicitors") who are not associated with TFA will refer prospective clients to an Advisor who will offer our advisory programs. TFA enters into Referral Agreements with these Solicitors pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940. TFA will compensate the Solicitor directly if you agree to accept our advisory services. A portion of your advisory fee will be paid to this Solicitor. At the time of the referral, your Solicitor will provide you with a compensation statement disclosing the terms of his/her agreement with us.

ITEM 15 – CUSTODY

TFA has indirect custody of a limited number of client accounts held through our affiliates, Transamerica Premier Life Insurance Company and Transamerica Life Insurance Company, for which our Advisors provide investment advisory services. TFA also has indirect custody of client accounts in Transamerica® ONE as TFA has the ability to deduct quarterly advisory fees from a client's account. You will receive account financial statements directly from your qualified custodian at least quarterly. We urge you to carefully review these statements as they are the official record of your account and assets.

ITEM 16 – INVESTMENT DISCRETION

Advisors of TFA do not accept discretionary authority in connection with the accounts opened through its TPMM relationships. TPMMs may maintain discretionary authority, but such authority would be fully-disclosed to clients in the TPMM's Form ADV Part 2A or other disclosure document.

However, when you open a Transamerica® ONE account, you give TFA discretionary authority. You may impose reasonable limitations and restrictions at the time of opening

your account or at a later time by written notice. TFA's Advisory Services team exercises this discretionary authority.

When you open a Transamerica® ALPHA account, you give Betterment discretionary authority. You may impose reasonable limitations and restrictions at the time of opening your account or at a later time by written notice.

When you open a Transamerica I-Series® account, you give TFA discretionary authority. You may impose reasonable limitations and restrictions at the time of opening your account or at a later time by written notice. TFA's Advisory Services team exercises this discretionary authority.

ITEM 17 – VOTING CLIENT SECURITIES (PROXY VOTING)

You are responsible for directing the manner in which proxies for the securities held in your account are voted. TFA does not vote proxies on behalf of our clients in our other advisory programs including those managed by TPMMs. You should refer to the TPMMs' disclosure documents for a complete description of their proxy voting procedures. These documents will explain whether you will receive proxies or other solicitations directly from the custodian or a transfer agent.

ITEM 18 – FINANCIAL INFORMATION

TFA has no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you and we have never been the subject of a bankruptcy proceeding.