

# Form CRS: Customer Relationship Summary



Ameritas Investment Company, LLC Member FINRA/SIPC

## Introduction

Date: October 1, 2021

### Ameritas Investment Company, LLC (AIC, We, Us)

AIC is registered with the Securities and Exchange Commission (SEC) as a broker-dealer. AIC is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). AIC is part of the Ameritas Mutual Holding Company (AMHC) family of companies. AMHC owns Ameritas Holding Company (AHC), which has direct 100% ownership of both Ameritas Investment Partners, Inc. (AIP), a registered investment adviser, and Ameritas Life Insurance Corp. (ALIC); ALIC has direct 100% ownership of several companies, including: Ameritas Life Insurance Corp. of New York (Ameritas Life of NY), Variable Contract Agency, LLC, Ameritas Advisory Services, LLC (AAS), a registered investment adviser, and AIC.

This customer relationship summary describes our broker-dealer business. For information regarding AAS' investment advisory business please refer to AAS' Investment Advisory Customer Relationship Summary, available from your financial professional or at [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures). Financial professionals must register with a broker-dealer and/or an investment adviser. We supervise and process the broker-dealer business of the financial professionals who affiliate with us. These financial professionals are independent business owners who provide financial services to clients looking for assistance.

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

### Brokerage Services

When providing brokerage services, our financial professionals will make investment recommendations to you. As a client, you will typically pay a commission to us for each transaction effected in your account. The amount of the commission will vary depending upon the investment product selected. Brokerage products can be held either at a custodian or directly at a product sponsor. The cost associated with holding assets at a custodian will be more expensive than directly with a product sponsor. A brokerage relationship may be best for clients who anticipate minimal trading activity or are seeking a pure buy-and-hold strategy (i.e. purchasing an investment with the intention of not selling it soon). The following information applies to a broker-dealer relationship:

- **Monitoring:** We are not required to monitor your portfolio or investments on an ongoing basis. We may voluntarily review the holdings in your account for the purposes of determining whether to provide you with a recommendation. This voluntary review is not considered to be "account monitoring," and does not create an implied agreement with you to monitor the account.
- **Investment Authority:** AIC and our financial professionals acting in a brokerage capacity provide non-discretionary recommendations. In other words, you make the ultimate decision regarding the purchase and sale of investments. Unless you specifically state the time, price, and amount (or number of shares) to be purchased or sold, we or our financial professionals can act with limited discretionary trading authority as to time and price, but do not have the authority to determine the investment (or amount of the investment) to be purchased or sold.
- **Limited Investment Offerings:** We offer a variety of products and services, but we do not offer all products available in a given investment category. We do not limit our financial professionals to only offering proprietary products. However, some of our financial professionals are limited in the type of investments they can offer due to their licensing restrictions and/or their insurance appointments. Your financial professional can only offer you products or services that he or she

is licensed to provide. You should discuss this with your financial professional. Other firms offer products we do not.

- **Account Minimums and Other Requirements:** AIC has no account minimum for brokerage business, however certain brokerage products do require minimum investments.

Through our network of financial professionals, we offer a number of investment products, including but not limited to, mutual funds, exchange traded funds, stocks, bonds, 529 college savings plans, variable insurance products, alternative investments, unit investment trusts, and retirement plans.

**Making the Choice That's Best for You:** We encourage you to discuss your options and the many differences between brokerage and advisory relationships with your financial professional. It's important to understand all associated costs and the benefits of each option so you can decide which types of accounts and services may be best suited for your unique financial goals, investment objectives, and time horizon. When your financial professional makes recommendations regarding your commission-based brokerage account, he or she is acting as a broker-dealer representative. When your financial professional makes recommendations regarding your advisory account, if services are offered through AAS, he or she is acting as an investment adviser representative of AAS, our affiliate investment adviser. Your financial professional will expressly tell you which account you are discussing.

### Additional Information:

We encourage you to visit our website for additional information at [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures).

### We encourage you to ask your financial professional:

- Given my financial situation, should I choose a brokerage service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

## What fees will I pay?

For brokerage services, you are charged fees and costs on your transactions through AIC in the form of:

- **Commissions:** a service charge assessed by us for handling purchases and sales of securities, a portion of which is paid to your financial professional. The commissions you pay will depend on the type and nature of the investment purchased or sold in your account. For mutual fund investments, the commission or sales load is typically an up-front charge based upon the size of your investment.
- **Transaction-Based Fees:** a fee we charge per transaction, based on the type of transaction and other factors. This could include a markup or markdown.
- **Ticket Charges:** a fee we charge for buying, selling, or exchanging a security which varies based on the type of product, size of transaction, and other factors.

Because you are charged for each trade in your account, we have an incentive to encourage you to trade often. Our fees vary. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us.

In addition, you will be assessed fees and costs on your account and investments for a variety of other services we provide, depending on the type of accounts and products you have and where your accounts and investments are held. These include, but are not limited to: custodian fees, account maintenance fees, fees related to mutual funds and variable products, and other transactional and product level fees.

### Additional Information

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For a list of fees charged by AIC for broker-dealer accounts and related services, please see the [Brokerage Fee Schedule](#) in our Client Disclosure Booklet and at [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures). Please refer to the appropriate prospectus for product-specific information.

#### **We encourage you to ask your financial professional:**

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

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### What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

*When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means:*

- **Proprietary Products:** AIC is the distributor and lead underwriter for variable insurance products issued by ALIC. As a result of these arrangements, AIC may act in multiple capacities with respect to the services it provides which results in conflicts of interest. A financial professional may recommend the purchase of variable insurance products issued by ALIC, or financial services available through affiliates of AIC. If you choose to implement these recommendations, AIC, its affiliates, and/or our financial professionals would receive compensation and/or commissions as a result of the sale of the insurance and other financial products or services recommended. This creates an incentive to recommend proprietary products.
- **Third-Party Payments:** We receive compensation from third-parties when certain investments are recommended. AIC and our financial professionals have an incentive to make recommendations where such a third-party payment arrangement exists. We encourage you to speak with your financial professional regarding any additional compensation they may receive from third-party firms.
- **Revenue Sharing:** We have entered into agreements with third-parties referred to as revenue sharing arrangements. Revenue sharing is a form of compensation paid to us that is in addition to other product related fees paid by the investor. Although we endeavor to put the interests of our clients first, these arrangements present conflicts of interest for us and our financial professionals because there is an incentive to make investment recommendations where a revenue sharing agreement exists.
- **Principal Trading:** AIC is a municipal securities dealer, municipal securities adviser, and underwriter for municipal securities offerings primarily in the state of Nebraska. AIC participates in principal trading primarily with its fixed income offerings by selling these investments for or from our own accounts. AIC's receipt of fees and commissions in connection with these activities is a conflict of interest because we will earn more money on fixed income securities where we act as principal than if we do not.

#### **We encourage you to ask your financial professional:**

How might your conflicts of interest affect me, and how will you address them?

#### **Additional Information:**

We encourage you to visit our website for additional information at [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures).

### How do your financial professionals make money?

Our financial professionals can offer various types of advisory and brokerage programs, platforms and services, and can earn more or less if a certain type of service, program or platform is recommended. They are also compensated in a variety of ways, and the compensation can be based on factors such as: the amount of client assets they service; the time and complexity required to meet a client's needs; the product sold (i.e., differential compensation); product sales commissions; or revenue we earn from the financial professional's advisory services or recommendations.

In their day-to-day businesses, it is not uncommon for our financial professionals to face decisions about whether a particular action or circumstance constitutes a conflict of interest. While many conflicts can be avoided, there are some conflicts that are unavoidable. Since our financial professionals are compensated for the services they provide, this presents an inherent conflict of interest.

Commission-based financial professionals are compensated solely through commissions. In contrast, fee-based financial professionals charge an asset based or flat fee directly to their clients for their services. This fee can be structured in multiple ways, such as an hourly rate, a flat monthly or annual fee, or a percentage of assets under management. Financial professionals that offer both brokerage and advisory services can be compensated as commission-based or fee-based depending on the type of product or service offered. In a brokerage relationship, your financial professional has an incentive to encourage you to effect more transactions in your account.

In addition, AIC and your financial professional can receive both cash and non-cash compensation from third-party firms. Non-cash compensation is defined as any form of compensation received in connection with the sale and distribution of securities that is not cash, including but not limited to: merchandise, gifts and prizes, travel expenses, meals, and lodging. The receipt of non-cash compensation creates an incentive for the financial professional to recommend products that offer non-cash compensation. We encourage you to speak with your financial professional regarding any non-cash compensation they may receive.

Our financial professionals have conflicts of interest beyond those disclosed by us, and those financial professionals will disclose, when appropriate, any additional material conflicts of interest no later than the time of a recommendation. For additional information on how your financial professional makes money, please go to [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures).

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### Do you or your financial professionals have legal or disciplinary history?

Yes, we and some of our financial professionals have legal or disciplinary histories. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

#### **We encourage you to ask your financial professional:**

As a financial professional, do you have any disciplinary history? For what type of conduct?

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### Additional Information

For additional information about our services or to request a current Customer Relationship Summary, please refer to [www.ameritas.com/investments/disclosures](http://www.ameritas.com/investments/disclosures), call 800-335-9858, ext. 87540, or email [AIC\\_Compliance@ameritas.com](mailto:AIC_Compliance@ameritas.com).

#### **We encourage you to ask your financial professional:**

- Who is my primary contact person?
- Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?