



TRANSAMERICA®

**TRANSAMERICA INVESTORS SECURITIES CORPORATION
REGULATION BEST INTEREST DISCLOSURE STATEMENT**

Effective June 1, 2022

Transamerica Investors Securities Corporation (“TISC”, the “Firm”, “we”, “our” or “us”) are providing this Regulation Best Interest (“Reg BI”) Disclosure Statement (“Disclosure Statement”) to you, our prospective client or current client, to inform you about the products and services we offer. This disclosure provides information regarding the material facts relating to:

- the scope and terms of our relationship with you, including the capacity in which we are acting;
- the type and scope of services we provide, including any material limitations on the securities or investment strategies we make available or recommend;
- the material fees and costs that apply to your transactions, holdings, and accounts; and
- the conflicts of interest that exist for us and our financial professionals.

For additional information regarding TISC and its brokerage services, or your brokerage account, please see our Form Client Relationship Summary (“Form CRS”) which is available at <https://www.transamerica.com/retirement/retirement-solutions>. We encourage you to review this Disclosure Statement in detail. You can contact TISC with any questions you may have, and you may also request this Disclosure Statement or our Form CRS by contacting us at (866) 368-0566. In addition, you may also research your financial professional’s experience and licenses on the Financial Industry Regulatory Authority’s (“FINRA”) BrokerCheck website at brokercheck.finra.org.

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Scope and Terms of Our Relationship with You

Our Capacity. TISC is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of FINRA. As a broker-dealer, we are subject to federal securities laws, such as the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, the rules and regulations of self-regulatory organizations, such as FINRA, and applicable state laws. Brokerage and investment advisory services and fees differ from firm to firm, and it is important for you to understand the differences. The best solution for you will depend on your individual situation and circumstances.

There are key differences between broker-dealer and investment adviser standards of conduct that you should be aware of. For example, investment advisers are subject to a fiduciary duty and are generally obligated to provide ongoing advice and account monitoring, while broker-dealers are subject to no such duty under federal securities law (unless they voluntarily agree to such duty). Instead, broker-dealers must act in your best interest only *at the time* a recommendation is made under the SEC’s Reg BI. When a financial professional provides recommendations to you as representatives of a broker-dealer, they are subject to Reg BI. Please note, however, that our financial professionals do not currently make recommendations in their capacity as registered representatives of TISC, which is described further below.

TISC is not an investment adviser and does not provide investment advisory services. Our affiliate, Transamerica Retirement Advisors, LLC (“TRA”), is an investment adviser registered with the SEC. For more information regarding TRA’s advisory services, please view TRA’s Form ADV brochures available at the SEC’s [Investment Adviser Public Disclosure website](#). In addition, free and simple tools are available for you to research firms and financial professionals at [Investor.gov/CRS](#), which also provides educational materials about broker-dealers, investment advisers, and investing.

Some of our financial professionals may only be registered with TISC and can only offer the brokerage products and services that the Firm makes available, as we describe below. Other of our financial professionals may be registered with both TISC and our investment adviser affiliate, TRA, and can offer both brokerage and investment advisory services. If opening an investment advisory account, all recommendations will be made by the financial professional through TRA in his/her investment advisory capacity. Your financial professional will explain to you the capacity in which they are providing you services and will provide you a relationship summary titled “Form CRS – Customer Relationship Summary” that explains the capacity in which they are acting.

Our Products and Services. Brokerage accounts are generally appropriate for customers who do not want active ongoing advice and are adequately experienced and knowledgeable to make all investment decisions for their own accounts, whether working with a TISC financial professional or independently.

Current Products and Services. We currently offer the Transamerica Brokerage individual retirement account (“IRA”). This IRA account includes investments sponsored and/or managed by other Transamerica companies. There is no minimum initial investment amount.

Investment Authority. Our financial professionals do not make investment decisions for you or manage your brokerage account on a discretionary basis. This means that we cannot buy or sell investments in your brokerage account without first obtaining your consent. We will only purchase or sell investments when specifically directed by you. Note that when you engage in a transaction that we did not recommend, we are under no obligation to determine whether such transaction is in your best interest.

Monitoring. While our financial professionals remain available to assist you, our financial professionals do not monitor your account or your investment performance, even if we recommended the investment.

Limitations. Not monitoring your account or investment performance and not being able to manage your brokerage account on a discretionary basis are material limitation on our services and the services of our financial professionals. We also have limitations on the type and scope of the products and services that we offer or provide to you. While we believe the line-up of products and services, we offer is designed to meet certain investment needs of our customers, we periodically evaluate our account types and our product and service offerings, and may determine to offer new account types or products and services in the future. Our ability to offer certain account types and only proprietary investments, as

discussed below, are material limitations on the securities or investment strategies that our financial professionals may offer to you. You should discuss any such limitations with your financial professional. Customers seeking a broader array of account types or investment options should consider other broker-dealers.

Account Types. We currently offer an IRA brokerage account and do not offer taxable/non-qualified account types.

Investments. We do not offer the ability to invest in securities such as stocks, bonds, exchange traded funds (ETF), closed end mutual funds, 529 plans, options, future, or alternative investments. The investment options offered in our IRA brokerage account are limited to proprietary investments. Similarly, some (but not all) of the VA contracts currently held by our customers were issued by a Transamerica life insurance company ("Proprietary VAs") and, many of the underlying mutual funds in the Proprietary VAs are managed, administered and advised by an affiliated Transamerica company.

Before deciding whether to open an account with us, please discuss your account options and our available products and services with your financial professional to decide what best fits your needs and goals.

Recommendations. We do not currently make recommendations. In the future, the Firm may decide that its financial professionals may make recommendations. If that occurs, the financial professional must have a reasonable basis, taking into account the potential risks, rewards, and costs associated with a recommendation, to believe that each recommendation made to you is in your best interest, and does not place the interest of the Firm or him/herself, ahead of your interest at the time the recommendation is made. Additionally, in determining whether a recommendation is in your best interest, the financial professional must consider your individual investment profile, which includes, but is not limited to, your age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and other information that you may disclose to us or the financial professional in connection with a recommendation.

Fees and Costs

You will pay certain fees and costs associated with your account and holdings.

Fees and Costs Associated with Accounts

There are no transaction fees for the IRA. There may be other fees and costs associated with your account, which will be described in the schedule of fees and costs in your new account paperwork. Our primary source of revenue is derived from certain fees we receive in connection with your investments, which are described below.

For new accounts, we generally charge you an annual "account maintenance fee" for maintaining your brokerage account with us. This account maintenance fee compensates us for certain administrative services that we provide and reimburses us for certain operational expenses that we incur in administering your account. The fee is deducted from accounts on a quarterly basis. TISC accounts opened before 2020 are not assessed the account maintenance fee.

Investment Products and Product Specific Fees

Mutual Funds. Mutual funds are pooled investment vehicles that issue redeemable securities, which entitle the shareholder to sell shares back to the fund at their net asset value, which is calculated daily. Mutual funds issue shares on a continual basis, and there is no secondary trading market for mutual fund shares.

Fund Fees. Mutual funds charge fees and operating expenses, such as management fees, sub-transfer agency ("sub-TA") fees, and other expenses, which include distribution and/or service fees (12b-1 fees). In addition to the 12b-1 fees, mutual funds typically also deduct other ongoing fees and expenses from fund assets, such as management fees and servicing fees. These ongoing fees and expenses are typically used to pay for the mutual fund's continued annual operating expenses (these ongoing fees are sometimes referred to as the mutual fund's "expense ratio"), such as paying the mutual fund's investment manager, accounting and auditing expenses, legal expenses, and recordkeeping expenses. The fund's total expense ratio is calculated as a percentage of your assets. You pay these fees and expenses indirectly because they are

deducted from your assets on an ongoing basis, and, accordingly, will adversely impact your investment results. More information about ongoing fees and expenses associated with mutual funds and variable insurance products is available in the fund or product prospectus, which are available by logging into your account at Transamerica.com.

Fund Share Classes. Most mutual funds utilize multiple share classes, with differing fees and expenses for distribution and shareholder services. Each class typically has different fees and costs, and therefore fund performance results will differ as those fees and expenses reduce performance across share classes. You should also note that the amount of time you expect to hold your investment in a mutual fund may play an important role in determining which share class is most appropriate for you, and you should discuss this consideration with your financial professional. Though there are many different types of share classes, our current brokerage IRA account includes only class A shares, which include 12b-1 fees and administrative service fees. We offer only the class A share class even where there are less costly share classes that do not charge such fees, because this is how we are compensated for providing services to you.

Fund Disclosures. An important aspect of mutual fund investing is to read the mutual fund's prospectus carefully before investing. Each mutual fund prospectus contains useful information that will help you make an informed decision about an investment in a mutual fund. When deciding whether to invest in a mutual fund, you should consider several different factors, including the mutual fund's past performance, investment objective, investment strategies and risks, the investment adviser responsible for the management of the mutual fund's assets, and the fees and expenses associated with a particular mutual fund. While past performance of a mutual fund is not indicative of future results, a mutual fund's long-term performance record and portfolio manager's experience and qualifications may be important factors in deciding whether to invest in a mutual fund.

Important Information about Conflicts of Interest

We have identified certain conflicts of interest that relate to our business. A conflict arises when an economic benefit incentivizes either us or our financial professional to put our interests and/or the interests of the financial professional ahead of your interests as a customer. The nature of the conflicts that can arise can be divided into the following categories:

- Customer (you) vs. Both our firm and our financial professionals;
- Customer (you) vs. Our firm alone; or
- Customer (you) vs. Our financial professionals

The section below discloses material facts relating to these conflicts so that you can make an informed decision regarding interactions with our Firm and our financial professionals and any recommendation that a financial professional provides you.

Firm Conflicts: Conflicts of interest between our firm and our customers may be caused by a variety of arrangements, including:

- **Proprietary Products.** All the investment options offered in the Transamerica Brokerage IRA are proprietary, meaning the investment options are advised, managed, or issued by a Transamerica company. With proprietary investment options, our affiliates earn revenues, such as management fees, administrative service fees, transfer agency fees, and interest spread income, whereas non-proprietary products offered by third parties generally do not produce revenue, or at least produce less revenue for the firm and our affiliates. Proprietary investments are also included as investment options underlying the VAs held by our customers. We have an incentive for you to invest or increase your investment in proprietary investment options because they generate more revenue for our affiliates than third party products. Limiting our investment options in the Transamerica brokerage IRA to proprietary investments is a conflict of interest because our affiliates earn more revenue from proprietary investments than from non-proprietary investments.
- **12b-1 and Sub-TA Fees:** Mutual funds are sold with different share classes, which vary in the expenses they charge. We benefit from offering only those mutual fund share classes that pay us 12b-1 fees and our affiliates sub-TA fees, even where less costly share classes are available. These fees compensate us for the services that we and our affiliates provide in connection with your account. Share classes with 12b-1 and sub-TA fees are more expensive, so they generate lower returns

for you. We have an incentive for you to purchase or increase your investment in mutual funds with 12b-1 and sub-TA fees, or for you to purchase or increase your investment in these funds since they will increase our revenues.

Conflicts for Financial Professionals: Our financial professionals receive a salary, bonus, and incentive compensation. Cash and non-cash compensation awards may be based on several factors, including number of phone calls made/received, the amount of time spent in phone queue, use of certain advisor tools, decreases in not in good order transactions, number of applications sent, number of referrals to the Transamerica Advice Center and certain other activity. This non-cash compensation does not change the fees that you pay. The way we compensate our financial professionals creates an incentive for our financial professionals to maximize the number of accounts opened.