RiverSource Annuities

Portfolio Stabilizer funds

Quarterly performance and commentary

June 30, 2017

The Portfolio Stabilizer funds

Performance

	Quarter ending 6/30/17					
	3 month	YTD	1 year	3 year	5 year	Since Inception*
Portfolio Stabilizer - Global Series						
Columbia VP – Managed Volatility Growth Fund						
Growth Fund[1]	3.36%	8.14%	11.09%	2.73%	–	5.67%
M&E fee and rider fee[2]	2.79%	6.96%	8.66%	0.45%	–	3.33%
M&E fee, rider fee and max surrender charge[3]	-4.64%	-0.80%	0.77%	-2.02%	–	2.02%
Blended benchmark	3.05%	7.48%	11.98%	5.40%	–	–
Columbia VP – Managed Volatility Moderate Growth Fund[4]						
Moderate Growth Fund[1]	2.95%	6.85%	8.60%	2.70%	6.06%	5.58%
M&E fee and rider fee[2]	2.38%	5.68%	6.22%	0.44%	3.72%	3.25%
M&E fee, rider fee and max surrender charge[3]	-5.01%	-1.98%	-1.48%	-2.04%	2.67%	2.39%
Blended benchmark	2.69%	6.28%	9.05%	4.74%	7.55%	–
Columbia VP – Managed Volatility Conservative Growth Fund						
Conservative Growth Fund[1]	2.54%	5.60%	6.07%	2.45%	–	3.79%
M&E fee and rider fee[2]	1.97%	4.44%	3.75%	0.20%	–	1.50%
M&E fee, rider fee and max surrender charge[3]	-5.38%	-3.12%	-3.75%	-2.27%	–	0.16%
Blended benchmark	2.33%	5.09%	6.17%	4.05%	–	–
Columbia VP – Managed Volatility Conservative Fund						
Conservative Fund[1]	2.09%	4.17%	3.50%	2.23%	–	2.79%
M&E fee and rider fee[2]	1.53%	3.03%	1.24%	-0.01%	–	0.52%
M&E fee, rider fee and max surrender charge[3]	-5.80%	-4.41%	-6.06%	-2.47%	–	-0.80%
Blended benchmark	1.94%	3.86%	3.35%	3.42%	–	–
Portfolio Stabilizer - Domestic Series						
Columbia VP - U.S. Flexible Growth Fund						
Growth Fund[1]	2.85%	8.12%	–	–	–	11.90%
M&E fee and rider fee[2]	2.28%	6.93%	–	–	–	10.28%
M&E fee, rider fee and max surrender charge[3]	-5.10%	-0.82%	–	–	–	2.28%
Blended benchmark	2.51%	6.83%	–	–	–	–
Columbia VP - U.S. Flexible Moderate Growth Fund						
Moderate Growth Fund[1]	2.54%	6.86%	–	–	–	9.10%
M&E fee and rider fee[2]	1.97%	5.69%	–	–	–	7.52%
M&E fee, rider fee and max surrender charge[3]	-5.39%	-1.97%	–	–	–	-0.28%
Blended benchmark	2.26%	5.77%	–	–	–	–
Columbia VP - U.S. Flexible Conservative Growth Fund						
Conservative Growth Fund[1]	2.21%	5.56%	–	–	–	6.30%
M&E fee and rider fee[2]	1.65%	4.40%	–	–	–	4.76%
M&E fee, rider fee and max surrender charge[3]	-5.69%	-3.15%	–	–	–	-2.82%
Blended benchmark	2.02%	4.71%	–	–	–	–

Performance data shown represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data shown. Please call 1-800-333-3437 for performance data current to the most recent month-end.

Effective March 10, 2016, the Portfolio Stabilizer - Global Series benchmarks changed. See page 5 for details.

Economic and Capital Markets Review – 2Q 2017

Stocks outperformed bonds during the quarter with the Russell 3000 Index and S&P 500 Index each beating the Bloomberg Barclays U.S. Aggregate Bond Index by over 1.5% in total return. Stocks have outperformed bonds in every month of 2017 so far. Growth-oriented equities outperformed value-oriented strategies for the quarter. In particular, shares of companies that exhibited strong sales growth and long-term sales growth outperformed.

U.S. equity markets underperformed, on average, versus other developed market regions though the U.S. did still post a strong return of 3.0% as measured by the Russell 3000 Index and 3.1% by the S&P 500 Index. A weak U.S. dollar (one of the weakest asset class returns for the quarter) helped international equities enjoy noticeable outperformance in dollar terms versus U.S. equities. Emerging Markets was one of the top performing regions in the second quarter, gaining 6.3% as reflected in the total return of the MSCI Emerging Market Index. Commodities struggled during the quarter as the Bloomberg Commodity Index slumped -3.0% in the second quarter. The U.S. dollar bears close observation for the period ahead, especially if inflation trends pick-up during the second half of the year. Should inflation rise, this could put renewed pressure on the dollar and that dynamic would have implications for numerous investments.

The Bloomberg Barclays U.S. Aggregate Bond Index posted a return of 1.5% during the second quarter. Leading the way in terms of strong returns for fixed income investors was the long bond for treasuries. The Bloomberg Barclays Long Term US Treasury Index was up 4.0% during the second quarter. Other areas of the bond market that posted healthy returns in excess of 2.0% were high yield corporate bonds, investment grade corporate bonds, and emerging market bonds.

From an economic perspective, we remain centered around a base case scenario that sees U.S. growth in a range of 2.0% to 2.5% for 2017. Against this backdrop of economic growth, and with inflation hovering around 2%, we believe the Federal Reserve will be prompted to continue to raise rates.

Portfolio Stabilizer – Global Series – Performance Drivers in 2Q 2017

The funds all posted gains during the quarter and outperformed their comparative indices (relative performance). During the quarter, the Conservative Fund returned 2.09%, the Conservative Growth Fund returned 2.54%, the Moderate Growth Fund returned 2.95%, and the Growth Fund returned 3.36% (all figures net of investment management fees but do not include annuity contract fees & related expenses).

The outperformance versus benchmarks during the quarter came from a combination of factors. In the Tactical Allocation, the dynamic algorithm, which is a quantitative tool used by the managers to help direct equity exposure, steered the managers to maintain equity exposures above the benchmarks' neutral weighting for the period. This positioning contributed favorably to relative performance in the quarter. As of quarter-end, the funds continued to be positioned overweight to their respective equity benchmarks despite being defensively positioned relative to the equity level suggested by the dynamic algorithm. This positioning reflects our current views as noted in the market outlook section of this commentary.

In the Underlying Fund Allocation, overall underlying manager performance within the funds also contributed favorably to relative performance during the quarter. U.S. large cap managers proved to be one of the strongest contributors. Large cap growth managers in particular added the most to relative performance in the group. Both the international growth manager and longer duration bond manager also helped. Small and mid cap managers generally detracted from relative performance.

Some of the underlying funds that impacted relative results during the quarter are shown below (please note that an underlying fund being a contributor or detractor is not necessarily indicative of how it performed relative to its own benchmark). Not all funds shown below are held inside each fund at the same weight. As a result, the impact of each contributor/detractor will vary by fund.

Contributors	Detractors
• VP – Loomis Sayles Growth Fund • Columbia VP – Long Government/Credit Fund • Columbia VP – Large Cap Growth Fund • VP – Oppenheimer Int'l Growth Fund • VP – Morgan Stanley Advantage Fund	• VP – Partners Small Cap Value Fund • Columbia VP – Dividend Opportunity Fund • VP – DFA International Value Fund

Source: Columbia Threadneedle Investments, as of 6/30/17

Portfolio Stabilizer – Domestic Series – Performance Drivers in 2Q'17

The funds all posted gains during the quarter and outperformed their comparative indices (relative performance). During the quarter, the U.S. Flexible Conservative Growth Fund returned 2.21%, the U.S. Flexible Moderate Growth Fund returned 2.54% and the U.S. Flexible Growth Fund returned 2.85% (all figures net of investment management fees but do not include annuity contract fees & related expenses).

The outperformance versus benchmarks during the quarter came from a combination of factors. In the Tactical Allocation, the dynamic algorithm, which is a quantitative tool used by the managers to help direct equity exposure, steered the managers to maintain equity exposures above the benchmarks' neutral weighting for the period. This positioning was the largest contributor to relative performance in the quarter. As of quarter-end, the funds continued to be positioned overweight to their respective equity benchmarks despite being defensively positioned relative to the equity level suggested by the dynamic algorithm. This positioning reflects our current views as noted in the market outlook section of this commentary.

In the Underlying Fund Allocation, overall underlying manager performance within the funds also contributed favorably to relative performance during the quarter. U.S. large cap equity managers proved to be one of the strongest relative contributors. Large cap growth managers in particular added the most to relative performance in the group. Both the longer duration bond manager and high yield bond manager also helped. Large cap value managers detracted from relative performance.

Some of the underlying funds that impacted relative results during the quarter are shown below (please note that an underlying fund being a contributor or detractor is not necessarily indicative of how it performed relative to its own benchmark). Not all funds shown below are held inside each fund at the same weight. As a result, the impact of each contributor/detractor will vary by fund.

Contributors	Detractors
• VP – Loomis Sayles Growth Fund • Columbia VP – Long Government/Credit Fund • VP – Morgan Stanley Advantage Fund • VP – American Century Diversified Bond Fund • Columbia VP – Income Opportunities Fund	• Columbia VP – Select Large Cap Value Fund • VP – T. Rowe Price Large Cap Value Fund • VP – MFS Blended Research Core Equity Fund

Source: Columbia Threadneedle Investments, as of 6/30/17

Market Outlook

We currently recommend a neutral stance on equities overall. In regard to the four Portfolio Stabilizer Global Funds, from a tactical perspective, we continue to favor non-U.S. equity markets primarily because of more favorable valuation. Early in the year, our annual five-year time horizon forecasts for expected returns across capital markets called for stocks and other risky assets to appreciate in the range of mid-to-high single digits for the calendar year. Now, at the middle of the year, and, with the S&P 500 having already met that slightly aggressive full year performance hypothesis, we are left with a reconciliation to examine the underpinnings of where the markets might head next.

As the months tick by, as one record high after another is notched, and as volatility has largely deflated before our eyes, we are somewhat guarded against the increasing asymmetric probability of outcomes for investors in the months ahead. For one thing, we've identified numerous potential catalysts that could trigger a realization of the lopsided distribution of performance returns that we have noted. First on the list are global central banks. As the fiscal and regulatory reforms have been slow to materialize, we wonder if central bank policy could wrestle back to center stage for investors. For example, the Federal Reserve issued its fourth interest rate hike, and, before long, the unwinding of assets accumulated during quantitative easing actions of recent years may commence.

Within fixed income, we have a general view that is neutral in scope for taking on interest rate risk within the portfolios. At the end of 2016, this view was cautious as inflation measures were signaling continued pressure on interest rate sensitive assets. While much of the second quarter saw interest rate sensitive assets perform reasonably, during the final few weeks of the period we saw renewed pressure on some interest rate sensitive assets as bond yields increased across the yield curve.

Commodity price weakness is another concern. The last time we had a 'risk-off' market event of any lasting consequence, the origin was oil price weakness. While oil prices remain high enough to assuage that concern, we note that risk premiums for high yield borrowers in the energy sector are already widening. Perhaps another sequence of events could result from weak oil. Finally, China would seem satisfied with the policy stimulus that has been in place all year. Incremental tightening in China may, as often occurs, have unhappy effects for world markets.

With opportunities asymmetric and with catalysts for a volatility storm in ready supply, we turn the page to the second half of the year with one foot near the brake. Should the storyline for any of these fundamental narratives head south, so too will our risk allocation.

Blended benchmarks for Portfolio Stabilizer - Global Series

	Columbia VP – Managed Volatility Growth Fund	Columbia VP – Managed Volatility Moderate Growth Fund	Columbia VP – Managed Volatility Conservative Growth Fund	Columbia VP – Managed Volatility Conservative Fund
Russell 3000 Index	46.0%	35.0%	24.0%	14.0%
MSCI EAFE	19.0%	15.0%	11.0%	6.0%
Bloomberg Barclays Capital U.S. Aggregate Bond Index	35.0%	50.0%	65.0%	80.0%

Russell 3000 – an index of the largest 3,000 U.S. stocks by market cap.
Bloomberg Barclays Capital U.S. Aggregate Bond – an index of high-quality government and corporate bonds.
MSCI EAFE – an index of developed international stock markets.

Blended benchmarks for Portfolio Stabilizer - Domestic Series

	Columbia VP – U.S. Flexible Growth Fund	Columbia VP – U.S. Flexible Moderate Growth Fund	Columbia VP – U.S. Flexible Conservative Growth Fund
S&P 500 Index	65.0%	50.0%	35.0%
Bloomberg Barclays Capital U.S. Aggregate Bond Index	35.0%	50.0%	65.0%

S&P 500 Index – an index that tracks the performance of 500 widely-held, large capitalization U.S. stocks.
Bloomberg Barclays Capital U.S. Aggregate Bond – an index of high-quality government and corporate bonds.

* Dates of Inception: The Columbia VP – Managed Volatility Moderate Growth Fund has an inception date of April 19, 2012. The remaining Portfolio Stabilizer - Global funds have an inception date of April 12, 2013. The inception date for the Portfolio Stabilizer - Domestic Series is Nov. 2, 2016.

[1] Reflects fund fees and expenses; does not reflect charges or expenses imposed by the insurance company on subaccounts or contracts. See Annual Fund Operating Expenses in Performance Disclosures section.

[2] In addition to Fund Fees, reflects performance with the following fees deducted: *RAVA 5 Advantage* (10-year surrender charge schedule) M&E of 0.95%, *SecureSource 4®* – single life rider fee of 1.25%, and $30 annual contract charge. This line is intended to demonstrate the effect that fees and expenses could have on performance, and is not intended to reflect actual fees and charges incurred by an investor nor does it reflect the additional fees associated with other optional benefits.

[3] In addition to Fund Fees, reflects performance with the following fees deducted: *RAVA 5 Advantage* (10-year surrender charge schedule) M&E of 0.95%, *SecureSource 4®* – single life rider fee of 1.25%, $30 annual contract charge and an 8% declining surrender charge. This line is intended to demonstrate the effect that fees and expenses could have on performance, and is not intended to reflect actual fees and charges incurred by an investor nor does it reflect the additional fees associated with other optional benefits.

[4] Formerly named the Columbia VP – Managed Volatility Fund.

Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies.

Portfolio Stabilizer. The Portfolio Stabilizer funds are investment options within variable annuity products offered by RiverSource Life Insurance Company and RiverSource Life Insurance Co. of New York (collectively, RiverSource Life). The funds are managed by Columbia Management Investment Advisers, LLC (Columbia Management), an affiliate of RiverSource Life. Columbia Management, RiverSource Life and their affiliates may receive revenue related to assets allocated to these funds. Please read the product and fund prospectuses carefully before investing.

There is no guarantee that the Portfolio Stabilizer funds will achieve their investment objectives, and you could lose money. By investing in a combination of underlying funds (among other investments), the funds have exposure to the risks associated with many areas of the market. The market value of securities may fall or fail to rise, or fluctuate, sometimes rapidly or unpredictably. Foreign and emerging markets investing generally presents increased risk potential relative to US investments. There are risks associated with fixed income investments, including interest rate risk and the risk that the counterparty to the instrument may not perform or be unable to perform its obligations, including making payments. Investments in high-yield (junk) securities could expose the funds to a greater risk of loss of principal and income than an investment in higher quality securities. The use of derivatives introduces risks which are potentially greater than the risks of investing directly in the instruments underlying the derivatives. These transactions also subject the funds to counterparty risk; the risk that derivatives used to protect against an opposite position may offset losses, but may also offset gains; the risk that the instruments may be difficult to value; and the risk that it may not be possible to liquidate the instruments at an advantageous time or price. Investment in exchange-traded funds (ETFs) subjects these funds to the risks associated with the ETF's holdings. Fund investors bear both their proportionate share of the funds' expenses and similar expenses incurred through ownership of ETFs, as well as other underlying funds. For additional risk information, please read the fund prospectus.

Portfolio Stabilizer - Global Series Annual Fund Operating Expenses (expenses you pay each year as a percentage of the value of your investment)

Growth	Moderate Growth	Conservative Growth	Conservative
1.04%	**0.99%**	**1.00%**	**0.97%**

Portfolio Stabilizer - Domestic Series Annual Fund Operating Expenses (expenses you pay each year as a percentage of the value of your investment)

Growth	Moderate Growth	Conservative Growth
0.97%	**0.97%**	**1.05%**

You should consider the investment objectives, risks, charges and expenses of the variable annuity and its underlying investment options carefully before investing. For a free copy of the annuity's prospectus and underlying investment's prospectus, which contains this and other information about variable annuities, call 1-800-333-3437. Read the prospectuses carefully before you invest.

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RAVA 5 Advantage contract 411265 and state variations thereof, and contract ICC09 411265 with 411265-DPRA57 and 411265-DPRA510. Some features may not be available or may have limitations in certain states. New York current *RAVA 5* contract and rider numbers: *RAVA 5 Advantage* 411265-DPRA57NY and 411265-DPRA510NY.

SecureSource 4 rider numbers: ICC15 111339-SG, ICC15 111339-JT, 111339-SG, 111339-JT and state variations. *SecureSource 4 NY* rider numbers: 113486-SGNY, 113486-JTNY.

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