



Variable Annuity/Life Disclosure

Please print, preferably in capital letters and black ink. All information requested is **required** unless *optional* is indicated.

Client name	<table border="1" style="width: 100%; height: 15px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> </tr> </table>											Rep number
Name of product to be purchased												

This disclosure form is designed to ensure that all facts have been presented to assist you in your investment decisions and that this product is suitable for your investment needs. Please review each section and verify all information is correct. Do not sign this form if your representative has not fully covered all the pertinent issues or if you have unanswered questions.

1 – Market Risk

1. I recognize that there is no guarantee that the variable product that I have selected will perform better, worse, or in a similar manner to other equity investments that I might consider as an alternative, and that the relative difference in fees and charges could affect the outcome, depending upon performance of the sub-accounts, taxes paid, market fluctuations, and the amount of time the investment is allowed to grow.
2. I understand that if there is a principal guarantee feature, high water mark, reset, or step up feature, I may incur additional expenses and/or holding period to take advantage of these benefits as determined by the insurance carrier.

2 – Source Of Funds

- | | | | | |
|---|-------------------------------------|--|--|---|
| <input type="checkbox"/> Inheritance | <input type="checkbox"/> Rollover | <input type="checkbox"/> Savings from earnings | <input type="checkbox"/> Donations (trust accounts only) | <input type="checkbox"/> Legal/Insurance settlement |
| <input type="checkbox"/> Business revenue | <input type="checkbox"/> Tax refund | <input type="checkbox"/> Certificate of deposit maturity | <input type="checkbox"/> Pension/IRA/Retirement savings | <input type="checkbox"/> Spouse/Parent |
| <input type="checkbox"/> Asset appreciation | <input type="checkbox"/> Gift | <input type="checkbox"/> Lottery/Gambling earnings | <input type="checkbox"/> Loan from investment life insurance | <input type="checkbox"/> Internal transfer/journal |

- | | | | |
|---|--|---|---|
| Money market: <input type="checkbox"/> Cash deposit | <input type="checkbox"/> Proceeds purchase | <input type="checkbox"/> Security liquidation | <input type="checkbox"/> Legal/Insurance settlement |
| Sale of assets: <input type="checkbox"/> Mutual funds | <input type="checkbox"/> Variable annuity | <input type="checkbox"/> Spouse/Parent | <input type="checkbox"/> Other: _____ |
| Proceeds from: <input type="checkbox"/> Insurance | <input type="checkbox"/> Investment | <input type="checkbox"/> Residence <input type="checkbox"/> Real estate | <input type="checkbox"/> Business <input type="checkbox"/> Other: _____ |

3 – Variable Annuity Sales Only:

A. Net Investable Assets, Suitability, and Liquidity Needs

Purchase/transfer amount of this proposed variable annuity \$ _____

Net investable assets \$ _____

(Sum of all investable assets minus the liabilities on those assets. Include joint investor if applicable. If there has been any material change in client's net investable assets from the figure disclosed on the Client Account Form, please submit an Account Change Update Form and update this information with First Clearing through Smart Station.)

Currently held and pending variable, equity indexed, and fixed annuities (if household financials, please list all of the annuities currently owned by the household.)

Product	Current Value	Date of Purchase	Product will be exchanged to fund this variable annuity purchase (y/n)		Product purchased from current rep-advisor (y/n)	
			Yes	No	Yes	No
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This purchase/transfer represents approximately _____% of net investable assets. If applicable, this purchase, plus all currently owned variable annuities/fixed annuities/equity indexed annuities equal _____% of net investable assets.

Have you exchanged a variable annuity product within the past 36 months? No Yes

If yes, was the existing variable annuity sold to you by your current rep-advisor? No Yes

- I understand that this is generally an illiquid product and that only _____% of my original principal amount may be available for withdrawal per year without surrender costs imposed by the investment carrier. (Please refer to CDSC Schedule for more information.)
- I understand these limitations and do not foresee the need for invested principal during the investment time horizon.

3a. Please describe the purpose of this investment:

- Estate planning Future income Portfolio diversification Tax Deferral

3b. Please explain in detail why the purchase is suitable. Include how the client will benefit from one or more features of the deferred annuity, such as tax-deferred growth, annuitization, a death or living benefit, cumulative withdrawals, free withdrawals, guaranteed minimum withdrawal, etc. (attach additional page if necessary)

B. Insurance Component

- A variable annuity is not solely an investment product, it combines aspects of insurance and securities.
- I realize that the internal charges of a variable product include an insurance cost in addition to the costs levied by the sub-account management.
- Depending on the product I have selected, those cumulative costs may be more or less than similar charges levied on open-end mutual funds that have no such insurance component.
- Do you anticipate any lump sum withdrawals for immediate and/or long-term health care expenses (i.e. disabilities; nursing home; history of serious medical conditions such as cancer, strokes, heart attacks, etc.)? No Yes

If yes, please explain:

C. Expenses

I understand that I will incur the following annual expenses when purchasing this product.

Expense type	Cost	Annual or one-time
M&E	_____	<input type="checkbox"/> Annual <input type="checkbox"/> One-time
Administrative fee	_____	<input type="checkbox"/> Annual <input type="checkbox"/> One-time
Rider charges	_____	<input type="checkbox"/> Annual <input type="checkbox"/> One-time

CDSC Schedule – surrender table

Contingent deferred sales charge (CDSC) – The CDSC fee is assessed on withdrawals in excess of the free withdrawal amount during the surrender period. It is highest in the first year of the surrender period and decreases annually until the period ends, at which time it drops to zero.

CDSC	CDSC	CDSC	CDSC
Year 0 _____	Year 1 _____	Year 2 _____	Year 3 _____
Year 4 _____	Year 5 _____	Year 6 _____	Year 7 _____
Year 8 _____	Year 9 _____		

D. Investment Time Horizon

0-2 years 2-5 years 5-10 years 10+ years

1. Does this product have a surrender period? No Yes

If yes, the surrender charges for this variable product decline from _____ % in the _____ year, after which no further surrender charges will be imposed. (Please refer to the CDSC Schedule for more information.)

2. Please describe why this particular CDSC schedule was chosen given the client's needs and investment time horizon question.

E. Variable Annuity Exchange

(Complete this section only if you are replacing an existing variable annuity or Variable Life.)

1. I am aware that by replacing my current investment, I will incur a surrender penalty of approximately \$_____ on the balance of \$_____, and that by replacing the existing product, I will begin a new surrender period, as noted above.

a. For exchanges for which a client paid a CDSC, provide financial analyses performed to assure that an exchange was in the best financial interest of the client. NOTE: A bonus product should not be recommended simply to offset the CDSC of an exchanged product.

2. Will the client be reducing or forfeiting a death benefit by completing an exchange? No Yes

3. Could the client add riders, or are there enhanced step-ups available, to their current annuity as an alternative to doing a 1035 exchange into the new product?

No Yes

a. If yes, please provide justification for the 1035 exchange as opposed to adding riders or enhanced step-ups to their current annuity:

4. Variable annuity exchange comparison	current product	new product
M&E	_____ %	_____ %
Administrative fee	\$ _____	\$ _____
Rider charges	_____ %	_____ %
Surrender	_____ years	_____ years
Death benefit	_____	_____
Living benefit	_____	_____

F. Bonus:

Is there a bonus on this product? No Yes Bonus _____ %

If yes, I understand that this bonus feature may cause an increase in the product's expenses. I also understand that while a bonus may offset all or some of the surrender charges I may incur, the decision to make such a transfer between products has not been made on the basis of the bonus alone.

5a. Does this bonus have a "vesting schedule"? No Yes N/A

If yes, how long must the product be held in order for the client to receive the full bonus?

G. Factors Affected by Age:

1. At the time of purchase I am _____ years old.
2. I recognize that variable products generally should be considered only for long-term investment strategies and are generally illiquid until after age 59 ½.
3. I am aware that the Internal Revenue Service may assess a penalty of 10% on either principal or interest if withdrawn prior to age 59 ½.
4. I am aware that this product may or may not contain enhanced living or death benefits. I understand that these benefits may change, reduce, or be eliminated once I reach a certain age. I acknowledge that all pertinent information regarding these benefits has been explained to me by my representative.

H. Repositioning of Existing Investments:

***Complete this section only if you are liquidating existing investments other than a variable annuity (i.e., mutual funds, CDs, etc.) to fund this variable annuity purchase.**

Name of product to be replaced _____

- 1 I understand that I will have to pay a contingent deferred sales charge of \$_____ on the original investment.
- 2 I acknowledge that the liquidation of other non-qualified investments for the purchase of this variable annuity may generate a capital gain tax liability.
- 3 The objective of my original investment is: _____
The objective of my new investment is: _____
- 4 As a result of the exchange, investment risk is increased, decreased, or about the same. (Check one)
- 5 I made my original investment approximately _____ years ago.

4 – Variable Universal Life Sales only:

A. Please Describe the Purpose of this Life Insurance:

- Estate Planning Income Replacement Business or COLI (Check One)
/ Family Planning

B. Life Insurance Replacement information:

	Current	Proposed
Death Benefit	\$ _____	\$ _____
Cash Value	\$ _____	\$ _____
Riders	_____	_____
Surrender Penalty	\$ _____	
Date Issued	_____	

5 – Rider Selected on Product:

A. Please select all riders included in the product:

- Waiver of Premium Future Purchase Option Nursing home Increasing Death Benefit
 Terminal Illness Rider Other If other, please describe:

6 – Signatures

By signing below, I acknowledge that I have read the entire Variable Annuity / Life Disclosure (pages 1-4).

_____ Signature of primary investor (or authorized signer/custodian/trustee)	_____ Date	_____ Signature of joint investor (or trustee)	_____ Date
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Confirm client disclosures (for rep-advisor use only)

By signing below, I attest to the following:

- a. I have explained to the client the cost advantages of investing in other investments instead of a variable annuity, particularly for amounts over \$100,000.
b. I have discussed dividing the client's investment capital between a variable annuity and other investments with greater liquidity. The following investment products were discussed:

For Variable Annuity

- Bonds
 CDs
 Fixed Annuities
 Managed Assets
 Mutual Funds
 Stocks

For Variable Life Insurance

- Term (Annual)
 Term (10 – 30 Years)
 UL
 Whole Life

- c. The suitability determination for this purchase was made in accordance with FINRA guidelines.

_____ Registered representative (print name)	_____ Rep number	_____ Signature of registered representative	_____ Date
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_____ OSJ principal approval	_____ Date	_____ Date received in good order by OSJ principal
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