

VARIABLE LIFE

Acknowledgements-VUL 1

To: **First Asset Financial Inc. (FAFI)**

I (we) have made the decision to investment with (name of the Insurance Company)

In a Variable Life contract called: (name of specific Variable Life contract):

INITIAL Each Blank or mark the Box as “NA” (Not Applicable)

Initials



NA _____ I (we) have received and reviewed (or will do so within the next 10 days) the prospectus dated _____.

NA _____ Based on my/our current financial status, investment objectives, age, risk tolerance, lack of need for current income, need for insurance coverage and investment knowledge, do verify that a variable life contract is suitable for the portion of the monies invested currently and in the future.

NA _____ I (We) understand that any hypothetical illustration provided to me by my FAFI agent is only a **projection** and **actual results may vary significantly from the illustration shown me**. I also understand that I am purchasing a life insurance contract/policy that is not intended to be liquid nor a short-term investment vehicle.

NA _____ I (We) understand that the “separate accounts” chosen within the contract differ in risk parameters and volatility and the choices are mine/ours to make. I/We understand that we may make changes in subaccounts during market hours that will be effective at the close of market that day. There is no assurance that any guidance received from our FAFI representative will result in market gains. It is possible that I/we may choose a program offered by the company whereby the company chooses the separate account(s) for me/us and, in such instance, there is no assurance of market gain as well.

NA _____ I/We understand that if there is a “guaranteed fixed interest account” available under this contract, that transfer of funds between the fixed and variable subaccounts may be limited by time and/or amount.

_____ I understand that premiums on my policy will not “vanish” and, in fact, I may be required to pay additional premium if the underlying investments in the separate accounts do not meet the hypothetical performance expectations.

_____ I am willing to cooperate in a possible interview with a person from the home office of FAF on a recorded phone line regarding this transaction.

_____ I understand that there is a difference between the accumulation values and surrender values. This difference represents the surrender penalty incurred if the policy is surrendered. Normally this is a substantial number, and, in fact, the surrender charge may be the entire cash value in the early years of the contract.

_____ I/We understand that, in times of low interest, the return on a “money market” account (if available) may be lower than the annual fees charged, resulting in a negative return.

_____ I/We have adequate assets to be able to afford the illiquid nature of a variable life. It is understood that this is a long-term investment.

_____ I/We understand that there may be a provision to borrow from the policy. At the time of the loan, no taxes are paid. However, if the policy is surrendered prior to death, there may be significant tax implications and all funds borrowed might be subject to taxation in the year the policy is surrendered. Also, if premiums are not paid and there is not adequate value in the policy, it may lapse, possibly creating a tax consequence.

_____ You may use insurance policy values, such as loans or withdrawals, to pay premiums for a new life insurance policy. This activity is generally called "financing" premiums. If this has been suggested by your FAFI representatives, there has been a discussion as to whether such activity is appropriate or not under your current financial circumstances.

_____ I/We understand that there is a “free look” period after the delivery of the contract (varies by state).

Investor Signature _____ Date _____

Investor Signature _____ Date _____

Representative Signature _____ Date _____

RR# _____