

Reg. Rep. Checklist for each VARIABLE ANNUITY SALE

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-----**Be sure to include this form with each Variable Annuity Sale**-----

Use this checklist to assist you and FAF that you have completed all components of the Variable Annuity Sale:
FAF Broker Last Name: _____ (NA means “Not Applicable to this Situation”)

1. NA I have completed the FAF (new) account form or updated the current form so that it is no older than 3 years or have updated it to reflect a change in objective, address, or other client changes. If this is a new FAF account form, I have obtained the customer’s ID and I have provided the customer with a copy of the form. The original is enclosed in this mailing.
2. I am appointed with the insurance company for Variable Annuity sales with the company I am using for this application
3. I have delivered a current prospectus for this Variable Annuity to the customer
4. **I have completed the FAF form “Time Horizon & Risk Tolerance Questionnaire” or a form supplied by the Variable Annuity that assesses the client time horizon and risk tolerance. *The client has initialed or signed and dated the form.***
5. **I have completed the following FAF forms and they are enclosed:**
 - Variable Annuity Questionnaire and Disclosure VA 1**
 - NA **Variable Annuity Questionnaire and Disclosure VA 3**
(Liquidation or Exchange of a Variable Annuity Policy or a Mutual Fund Investment)[used when exchanging a currently held variable annuity or liquidating a mutual fund for the current replacement you are offering]
6. I have delivered the article ***Should You Exchange Your Variable Annuity*** (required only for VA exchanges or replacements) to the client:
 YES NO
7. NA I have completed the appropriate STATE SPECIFIC insurance replacement form (required only in exchanges or replacements)
8. I have completed the variable insurance company’s application in full and signed it (also included any additional form such as state replacement forms, if needed)
9. NA I have included a check made payable to the insurance company
10. I have completed the reverse side of this form and included this form in my mailing.

Please SIGN and DATE this form on the reverse side

Dear First Asset Compliance Dept:

I discussed levels of risk with the customer and feel that the accounts chosen within the contract are within the risk tolerance of the customer and that investment is "suitable" for this customer.

I discussed the "bonus" offered on the contract (if applicable) and the fact that there are increased internal costs to assist the company the ability to recoup some of or the entire bonus awarded to the customer.

I discussed the surrender charges, time frame and the fees associated with this contract with the customer and feel that they have an understanding of these fees and charges.

I feel this customer does not need current income and feel that they understand that this is a "long term" investment (at least 6 years) and that they have no anticipated immediate cash needs.

I have not made any representations, promises, or guarantees of returns or promise of future performance on any variable accounts during the sales presentation to the customer.

This investment does not represent more than 25% of the customer's investments. (if more, add an explanation below).

I hereby certify that all of the above are accurate based on information that I am aware of and the information that the customer has represented to me:

Registered Representative's Signature:

X

_____ Date: _____

Representative's Number is _____

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General Information

The web site where you can obtain the SEC publication entitled "Variable Annuities: What You Should Know" can be obtained at:

<http://www.sec.gov/investor/pubs/varannty.htm>

The web site for the FINRA article entitled "Should you exchange your variable annuity?" is:

http://www.FINRA.com/stellent/idcplg?IdcService=SS_GET_PAGE&ssDocName=FINRAW_006045

The "condensed" versions of these two articles are available via E-mail from First Asset Financial Inc. as well. It takes fewer pages when using this file to print from than printing directly from the web sites above, although the documents are more "plain" appearing.

An additional resource you may wish to use is:

The web site for "SEC – Variable Annuities & VL Questions to Ask" is:

<http://www.sec.gov/investor/pubs/varaquestions.htm>

Supervisor's Initials that Reviewed this Form: _____ Date: _____