



1035 EXCHANGE / VARIABLE PRODUCT TRANSFER OF ASSETS DISCLOSURE AND SUITABILITY STATEMENT

Account Registration: _____
SSN/TIN: _____

Product to be Exchanged

Name of Insurance Company: _____
 Name of Product: _____
 Policy/Account Number: _____ Type of Product: Variable Fixed
 Date of Purchase: _____ Years/Months Held: _____
 Surrender Charge: \$ _____

Will the client lose existing death benefits? Yes No
 If "Yes" what is the value loss: \$ _____
 Did representative originally recommend the product to be exchanged? Yes No
 Has client conducted any other 1035 Exchange/Transfer of Assets in the past 36 months? Yes No
 If "Yes," please list: _____

Replacement Product

Name of Insurance Company: _____
 Name of Product: _____
 Investment Amount \$ _____
 Initial Sub-Account Allocation: Equities: ___% Fixed Income: ___% Cash Equivalents: ___%

This investment is subject to a surrender charge for early liquidations for ___ years.

List the benefits not available with the existing product: _____

Cost Analysis

<u>Cost Element</u>	<u>Existing Product</u>	<u>Replacement Product</u>
Mortality & Expense Charge	_____ (%)	_____ (%)
Administrative Charge (\$ or %)	_____	_____
Bonus Charge	_____ (\$)	_____ (\$)
Living Income Benefit Rider	_____ (bps)	_____ (bps)
Enhanced Death Benefit Rider	_____ (bps)	_____ (bps)
Other: _____	_____	_____

Account Registration: _____ SSN/TIN: _____

Client Representations

By purchasing a variable product, you are representing you understand the following:

1. Variable products are considered to be a long-term investment.
2. There may be a substantial penalty (surrender fee) for early withdrawal, unless the investment is held for a specific number of years.
3. Withdrawal of earnings prior to the age of 59 ½ may result in significant tax consequences.
4. A prospectus has been provided describing the various features of this particular investment, including sub-account investment options, withdrawal limitations, policy lapse provisions, death benefits, mortality and expense charges, loan processing fees, applicable contingent deferred sales charges, and other charges and fees including sales compensation.
5. Proceeds for this investment are not necessary to meet my immediate liquidity needs.
6. This investment is consistent with my financial needs and situation.
7. Sub-account allocations selected are subject to fluctuations in the market, which could result in a loss of premiums contributed. Further, past performance is not indicative of future results.
8. Assets within a qualified retirement plan allow for the tax-deferral of earnings; therefore, the same tax-deferral feature applicable to variable products provides no additional tax benefits. The recommendation of this investment for my Tax-Qualified Retirement Plan was supported by benefits other than the tax-deferral feature.
9. In making this investment decision a variety of factors, including surrender charges, surrender period, potential tax penalty components, mortality and expense fees, charges for and features of enhanced riders if any, and investment management of the sub-accounts were thoroughly reviewed with me by the representative prior to this investment.

Client Acknowledgement

I acknowledge receiving a copy of this Statement and the product prospectus. By signing below, I believe that based on my review of the prospectus and considering my prior investment experience and objectives, this investment is consistent with my financial goals.

Client Signature

Print Client Name

Date

Joint Client Signature

Print Client Name

Date

If you would like additional investor information concerning your variable annuity investment, please go to www.cfginc.com and click the Investors button, then select *What You Should Know About Variable Annuities*.

Registered Representative Report

Account Registration: _____ SSN/TIN: _____

Registered Representative Acknowledgement

Registered Representative Signature Rep # Print Name Date

By signing above, I represent that I have:

1. A reasonable basis to believe that the product being exchanged by the client is suitable based on, among other things, the client's stated financial situation, investment objectives, risk tolerance and needs.
2. Considered as part of his or her suitability determination whether the client:
 - (a) Will incur a surrender charge, be subject to a new surrender period, lose existing benefits, or be subject to increased fees or charges;
 - (b) Will benefit from product enhancements and improvements; and
 - (c) Has had an exchange of variable or fixed insurance products within the preceding 36 months.

Comments: _____

Home Office/OSJ Use Only

Supervising Principal Review

A Supervising Principal must review the purchase if any of the factors below apply.

- Holding period of original investment is less than 3 years
- Surrender charges of \$1,000 or greater
- Client is 75 years or older
- Other Sales Principal Concerns