



BROKER-DEALER REFERRAL - DISCLOSURE STATEMENT

This Disclosure Statement is provided to you, _____, (the "Customer"), to provide you with information concerning the funding of the life insurance policy or annuity contract you have elected to purchase from an insurance company.

You have been referred to Puritan Brokerage Services, Inc. (PBSI), a registered broker/dealer, to liquidate your securities portfolio. PBSI is a member FINRA – SIPC.

You need to be aware of the following:

- 1) PBSI will charge a commission for full account liquidations based on the "Commission Disclosure Agreement" included in the new account packet.
- 2) PBSI is not providing any investment advice to you concerning the liquidation of your securities. It is only acting as an agent for the liquidation and makes no representations when liquidating the securities as to market conditions, prices for securities, best execution, or any other aspect of your securities portfolio. Because of these liquidations, you may incur tax gains or losses, which can be short term or long term in nature.
- 3) PBSI does not take into consideration any tax ramifications when liquidating your securities portfolio. If you have a tax concern, prior to your securities portfolio being liquidated, you should consult your tax advisor. PBSI renders no tax advice.
- 4) PBSI will liquidate your securities portfolio only when it has received all requested documents, completed in full and only when all securities, including stock certificates or other negotiable instruments that may require liquidation to fund the policy or annuity are received and deposited into your account at Southwest Securities, Inc. (the Clearing Firm).
- 5) PBSI's sole role is to provide a venue for the liquidation of securities. It does not provide any investment advice concerning the suitability of any securities product for which the liquidation has been made. PBSI does not provide any investment advice concerning the purchase of any securities, including annuities or insurance, because of the liquidation of your securities portfolio. Once the securities are liquidated and the monies have been distributed to the appropriate party, the account, assuming a full transfer, will be considered closed and there will be no ongoing responsibilities between PBSI and you.

You should direct all questions concerning the liquidation of your securities portfolio to PBSI.

The above named Customer(s), have read and understand the above, have had a chance to ask any questions and hereby agree to the terms and conditions as set forth herein.

Customer Signature: _____ Date: _____

Spousal Signature: _____ Date: _____

Address: _____

Phone: _____ Fax: _____ or E-mail: _____