

# Annuity Disclosure Form

Ameritas Investment Corp. Member FINRA/SIPC

Client Name(s): \_\_\_\_\_ Tax ID/SSN: \_\_\_\_\_

Product Name: \_\_\_\_\_ Vendor: \_\_\_\_\_

This business is (check one):  Qualified  Non-Qualified

Is this a contribution to an existing annuity?  No  Yes - Policy #: \_\_\_\_\_

If 'Yes', the only sections required to be completed are Section III: Financial Information & Annuity Concentration, Section IV (Source of Funds) and Section VI (Acknowledgements & Signatures)

## I. Type of Annuity Contract Proposed (Check one & complete the section below the selected product)

<input type="checkbox"/> Variable Annuity	<input type="checkbox"/> Indexed Annuity	<input type="checkbox"/> Fixed Annuity <i>(Select type)</i> Qualified Accounts Only
<b>Fees &amp; Expenses</b> A. Base Contract Mortality & Expense: _____ % Administration Fees: _____ % Distribution Fee (If applicable): _____ % B. Optional Rider Fees Name: _____ Fee: _____ % Name: _____ Fee: _____ % Name: _____ Fee: _____ % C. Total Fees & Expenses* Base Contract + Rider Fees: _____ %	<b>AM Best Rating of Issuing Co.:</b> _____ <b>Indices Selected &amp; Interest Crediting Method</b> Complete for each index selected. If more than 4 selected, provide information on a separate sheet. Index: _____ Method: _____ Spread: _____ % Cap: _____ % Participation Rate: _____ % Term of Index Period: _____ Index: _____ Method: _____ Spread: _____ % Cap: _____ % Participation Rate: _____ % Term of Index Period: _____ Index: _____ Method: _____ Spread: _____ % Cap: _____ % Participation Rate: _____ % Term of Index Period: _____ Index: _____ Method: _____ Spread: _____ % Cap: _____ % Participation Rate: _____ % Term of Index Period: _____	<input type="checkbox"/> <b>Deferred Fixed Annuity</b> <b>Fees &amp; Expenses</b> A. Admin Fees: \$ _____ or _____ % B. Optional Rider Fees (If Applicable) Name: _____ Fee: _____ % Name: _____ Fee: _____ % Name: _____ Fee: _____ % <b>Guaranteed Min. Interest Rate:</b> _____ % <b>AM Best Rating of Issuing Co.:</b> _____ <b>Surrender Period &amp; Charges:</b> (% per contract year) _____ % _____ % _____ % _____ % _____ % 0      1      2      3      4      5 _____ % _____ % _____ % _____ % _____ % 6      7      8      9      10
<b>Share Class</b> (check one) <input type="checkbox"/> B Share <input type="checkbox"/> C Share <input type="checkbox"/> L Share <input type="checkbox"/> X Share (Bonus) <input type="checkbox"/> Other: _____	<b>Optional Benefits</b> (If Applicable) Name: _____ Fee: _____ % Name: _____ Fee: _____ % Bonus: _____ % Vesting Schedule (yrs): _____	<b>Contract Holding Period</b> (check one) <input type="checkbox"/> Short (0-4 years) <input type="checkbox"/> Intermediate (5-9 years) <input type="checkbox"/> Long (10+ years)
<b>Surrender Period &amp; Charges:</b> (% per contract year) _____ % _____ % _____ % _____ % _____ % 0      1      2      3      4      5 _____ % _____ % _____ % _____ % _____ % 6      7      8      9      10	<b>Surrender Period &amp; Charges:</b> (% per contract year) _____ % _____ % _____ % _____ % _____ % 0      1      2      3      4      5 _____ % _____ % _____ % _____ % _____ % 6      7      8      9      10	<input type="checkbox"/> <b>Immediate Fixed Annuity</b> <b>Fees &amp; Expenses</b> A. Admin Fees: \$ _____ or _____ % <b>Guaranteed Min. Interest Rate:</b> _____ % <b>AM Best Rating of Issuing Co.:</b> _____ <b>Premium Type</b> <input type="checkbox"/> Life Only <input type="checkbox"/> Term Certain <input type="checkbox"/> Life +Term Certain <input type="checkbox"/> Other: _____
<b>Contract Holding Period</b> (check one) <input type="checkbox"/> Short (0-4 years) <input type="checkbox"/> Intermediate (5-9 years) <input type="checkbox"/> Long (10+ years)	<b>Contract Holding Period</b> (check one) <input type="checkbox"/> Short (0-4 years) <input type="checkbox"/> Intermediate (5-9 years) <input type="checkbox"/> Long (10+ years)	*The total fees listed do not include the management fees of the underlying subaccounts. These fees vary and are typically between 0–2.5% of the value of the underlying subaccounts. Please see prospectus for more details and discuss with your Representative.

**Intended Use of Contract\*:** Please provide detailed rationale as to why this product was recommended to the client. Which feature(s) of the proposed contract will enable the client to reach his or her investment goals? *\*Keep in mind, FINRA Rule 2330 states that a variable annuity purchase is only suitable if the client has a need for one or more of the unique features associated with the contract.*

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## II. Existing Annuity Holdings

Please provide information on all of client's existing annuity holdings\*

\*If client has no current annuity holdings, skip this section and continue on to Section III—Financial Information and Annuity Concentration

Type of Annuity:  Fixed  Indexed  Variable Tax Status:  Qualified  Non-Qualified  
Vendor: \_\_\_\_\_ Product Name: \_\_\_\_\_  
Remaining Surrender Period: \_\_\_\_\_ Current Surrender Charge: \_\_\_\_\_  
Current Value of Annuity: \_\_\_\_\_  
Death Benefit:  No  Yes - Name/Description: \_\_\_\_\_  
Living/Income Benefit:  No  Yes - Name/Description: \_\_\_\_\_

Type of Annuity:  Fixed  Indexed  Variable Tax Status:  Qualified  Non-Qualified  
Vendor: \_\_\_\_\_ Product Name: \_\_\_\_\_  
Remaining Surrender Period: \_\_\_\_\_ Current Surrender Charge: \_\_\_\_\_  
Current Value of Annuity: \_\_\_\_\_  
Death Benefit:  No  Yes - Name/Description: \_\_\_\_\_  
Living/Income Benefit:  No  Yes - Name/Description: \_\_\_\_\_

Type of Annuity:  Fixed  Indexed  Variable Tax Status:  Qualified  Non-Qualified  
Vendor: \_\_\_\_\_ Product Name: \_\_\_\_\_  
Remaining Surrender Period: \_\_\_\_\_ Current Surrender Charge: \_\_\_\_\_  
Current Value of Annuity: \_\_\_\_\_  
Death Benefit:  No  Yes - Name/Description: \_\_\_\_\_  
Living/Income Benefit:  No  Yes - Name/Description: \_\_\_\_\_

Type of Annuity:  Fixed  Indexed  Variable Tax Status:  Qualified  Non-Qualified  
Vendor: \_\_\_\_\_ Product Name: \_\_\_\_\_  
Remaining Surrender Period: \_\_\_\_\_ Current Surrender Charge: \_\_\_\_\_  
Current Value of Annuity: \_\_\_\_\_  
Death Benefit:  No  Yes - Name/Description: \_\_\_\_\_  
Living/Income Benefit:  No  Yes - Name/Description: \_\_\_\_\_

### III. Financial Information & Annuity Concentration

- A. Client's Net Worth (excluding primary residence): \$ \_\_\_\_\_
- B. Client's Liquid Net Worth (excluding primary residence): \$ \_\_\_\_\_
- C. Client's Annual Income: \$ \_\_\_\_\_
- D. Client's Annual Expenses: \$ \_\_\_\_\_
- E. Proposed Total Investment Amount: \$ \_\_\_\_\_
- F. Dollar value of all existing annuities: \$ \_\_\_\_\_
- G. Total value of all annuity holdings including the proposed investment: \$ \_\_\_\_\_
- H. Percentage of client's net worth comprised of annuities, including proposed investment: \_\_\_\_\_%  
(To find this value, take the amount for G divided by the amount for A and multiply by 100)
- I. Client's Liquidity Needs:
  - No Need for Liquidity     Some Need for Liquidity Now     Need for Liquidity Later     Immediate Need for Liquidity
  - Other, please explain: \_\_\_\_\_

J. If this purchase will increase the client's overall concentration in annuities to 50% or more of their stated net worth OR if this individual purchase constitutes 40% or more of the client's net worth, please provide a detailed explanation as to why the high concentration is suitable for the client and how it meets the standard of care applicable to the client's account type.

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### IV. Source of Funds (Select all that apply)

- Fixed or Variable Insurance Contract Replacement\***  
\*Please attach a copy of the most recent statement

- A. Did you work with the same representative when you purchased your existing policy?     Yes     No
- B. Have you had any other annuity replacements in the past 36 months?     Yes     No ; If yes:  
 Estimated number of contract replacements: \_\_\_\_\_  
 Estimated dollar amount of replaced policies: \_\_\_\_\_  
 Please provide a detailed explanation for the prior replacements: \_\_\_\_\_

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C. Information on Base Contract (Existing):

- Variable Annuity
 

Issuer: _____	Issue Date: _____
Product Name: _____	Current Cash Value: \$ _____
M&E Charge: _____%	Surrender Charge: \$ _____
Income Benefit Base Value: \$ _____	Death Benefit Value: \$ _____

Optional Riders on Existing Contract:

- Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%
- Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%
- Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%

Indexed Annuity

Issuer: \_\_\_\_\_ Issue Date: \_\_\_\_\_

Product Name: \_\_\_\_\_ Surrender Charge: \$ \_\_\_\_\_

Death Benefit Value: \$ \_\_\_\_\_ Current Cash Value: \$ \_\_\_\_\_

Index: \_\_\_\_\_  Cap Rate  Participation Rate  Spread \_\_\_\_\_%

Optional Riders on Existing Contract:

Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%

Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%

Name: \_\_\_\_\_ Description: \_\_\_\_\_ Cost: \_\_\_\_\_%

Fixed Annuity

Issuer: \_\_\_\_\_ Issue Date: \_\_\_\_\_

Product Name: \_\_\_\_\_ Current Cash Value: \$ \_\_\_\_\_

Guaranteed Minimum Interest Rate: \_\_\_\_\_% Death Benefit Value: \$ \_\_\_\_\_

Rating of Issuing Company: \_\_\_\_\_ Surrender Charge: \$ \_\_\_\_\_

Variable Universal Life

Issuer: \_\_\_\_\_ Issue Date: \_\_\_\_\_

Product Name: \_\_\_\_\_ Current Cash Value: \$ \_\_\_\_\_

Surrender Charge: \$ \_\_\_\_\_ Death Benefit Value: \$ \_\_\_\_\_

Premium Amount: \$ \_\_\_\_\_ Premium Frequency: \_\_\_\_\_

\*Please note, in some instances, riders can be added to the existing contract, thereby avoiding potential surrender charges. By exchanging contracts, any accumulated death or income benefit may be forfeited as these are typically non-transferable. Contact the product sponsor of the existing contract for further information.

D. Explanation for Replacement

Provide detailed reasoning for the surrender of this contract and the subsequent purchase of an annuity. Please assess the replacement under the standard of care applicable to the transaction (i.e. suitability or best interest). Discuss product features including riders, withdrawal options, free exchanges, etc. Additionally, please address any loss of death or living income benefit guarantee, if applicable.

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**Investment Product Change (other than a fixed or variable insurance contract)**

**Please provide a copy of a recent statement.**

A. Basic Information on Current Product

Company Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Product Name: \_\_\_\_\_ Rep who sold product: \_\_\_\_\_

Date of Purchase (Month/Year): \_\_\_\_\_

Product Type:  Mutual Fund  UIT  REIT  Other \_\_\_\_\_

Original Investment: \$ \_\_\_\_\_ Current Value: \$ \_\_\_\_\_  
(Include Additions/Subtract Withdrawals)

CDSC/Surrender Charges: \$ \_\_\_\_\_ Surrender/CDSC Duration (Years): \_\_\_\_\_

Net Proceeds: \$ \_\_\_\_\_

B. Product Specific Information

Mutual Funds – Share Class: \_\_\_\_\_ Expense Ratio/Fees: \_\_\_\_\_% Upfront Sales Charge: \_\_\_\_\_%

UITs – Front end sales charge: \$ \_\_\_\_\_ Date of Maturity: \_\_\_\_\_

REITs – Upfront Charges (Fees/Commission): \$ \_\_\_\_\_ Liquidation Fees: \$ \_\_\_\_\_ OR \_\_\_\_\_%

Other – Upfront Charges (Fees/Commission): \$ \_\_\_\_\_ Liquidation Fees: \$ \_\_\_\_\_ OR \_\_\_\_\_%

C. Will the client's overall risk exposure change as a result of this switch?  No  Yes – If 'Yes', how is it changing?

Less overall risk  Slightly less overall risk  Slightly more overall risk  Higher overall risk

D. Explanation for Product Switch

Please provide detailed reasoning for the recommendation to liquidate the current product as a means to fund the purchase of the annuity. Please assess the switch under the standard of care applicable to the transaction (i.e. suitability or best interest).

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**Employer Sponsored Plan Roll-Over**

**Please provide a copy of a recent statement.**

A. Plan Information

Plan Type:  401(k)  403(b)ERISA  Defined Benefit Plan  Other: \_\_\_\_\_

Name of plan recordkeeper: \_\_\_\_\_

The client is:

An active participant in the plan

Is there a company match?  Yes; amount of match: \_\_\_\_\_%  No

Does the plan allow in-service withdrawals?  Yes  No

Will the participant be charged a penalty for accessing the funds?  Yes; amount: \$ \_\_\_\_\_  No

Does the client currently have a loan from the plan?  Yes; amount: \$ \_\_\_\_\_  No

If "Yes," is the client aware of the tax ramifications?  Yes  No

Does the client foresee the need to take a loan in the next few years?  Yes; amount: \$ \_\_\_\_\_  No

Current annual plan fees/expenses: \_\_\_\_\_%

Products available in plan:  Mutual Funds  Variable Annuity  Employer Stock  Other: \_\_\_\_\_

If mutual funds, what is the number of funds available in plan? \_\_\_\_\_

Are any of these funds only available to participants of the plan?  Yes  No

No longer employed by the plan sponsor:

Current annual plan fees/expenses: \_\_\_\_\_%

Products available in plan:  Mutual Funds  Variable Annuity  Employer Stock  Other: \_\_\_\_\_

If mutual funds, what is the number of funds available in plan? \_\_\_\_\_

Are any of these funds only available to participants of the plan?  Yes  No

Does the client currently have a loan from the plan?  Yes; amount: \$ \_\_\_\_\_  No

- B. Please provide a detailed explanation for the IRA Rollover Recommendation, and assess the recommendation under the applicable standard of care (i.e. suitability or best interest).

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**Cash or Personal Check**

Please provide a detailed explanation of the source of personal funds, why this purchase was recommended, and assess the recommendation under the applicable standard of care (i.e. suitability or best interest).

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## V. Disclosures

### A. General Disclosures

Statements made about any recommended transaction, fees and compensation, material conflicts of interest, or any other relevant matters will not be materially misleading at the time they are made.

With regard to qualified funds, AIC will act at the time of the recommendation in accordance with the legal and regulatory standard of care applicable to such account type.

AIC does not undertake as part of this acknowledgment to provide any legal, tax or accounting advice. It is the client's responsibility to obtain legal, tax and accounting guidance from independent professional sources prior to making any investment decision.

If changing investments, my Registered Representative may earn a new commission for the sale of the product.

### B. Disclosures for All Annuities

If changing a life or annuity policy, I have evaluated the original policy and applicable riders that could be exercised to my benefit and any other exchange program available from the original insurance company. Upon completion of this review, I believe that the existing policy, riders and programs achieve my investment objectives.

Management, administrative and other fees, such as 12b-1 distribution expenses, vary by fund family and variable insurance company. I have received and reviewed the prospectus/policy for specific information about any additional fees associated with the proposed investment.

**Qualified Plan Purchase:** I understand that by purchasing this product in my IRA or qualified account [including a 403(b) & 457(b)] that there are no additional tax advantages from which I will benefit.

**Elected Riders:** I understand the impact of withdrawals or additional investments on elected riders, including IRS required minimum distributions, if applicable. I understand how such withdrawals impact the the benefit base, regardless of surrender penalty. I understand any applicable annuitization or payout requirements to activate the benefit features of elected riders. I have read the prospectus and understand the impact of elected riders have on my subaccount selections of the contract, including any authority of the issuing company to modify those selections.

**Bonus Features:** I understand that a "bonus credit" offered by the insurance company may result in higher fees and expenses, higher surrender charges, and longer surrender periods than a non-bonus contract. I have read the prospectus and understand the impact of "bonus credits" for this product.

**High Concentration/Large Dollar Amount:** I acknowledge that if this investment constitutes either greater than 25% of my annual income, greater than 25% of my net worth, or is greater than \$150,000, I have sufficient funds to meet my expected short term cash needs.

**Withdrawals/Penalties/Tax Consequences:** I understand that annuities are usually long-term investments that may have surrender charges for withdrawals and that this purchase meets my investment time horizon. If I choose to make a partial withdrawal at any time, I understand withdrawal charges may apply if the amount withdrawn exceeds the terms the contract will allow. I may incur capital gain tax liability on any profit realized thus reducing my investment capital by the extent of such capital gain, if any. For retirement accounts, the original investment and its earnings will be subject to a tax penalty if accessed before age 59½. There may be exceptions to this through IRS code. If necessary, I will consult my tax advisor on this issue.

### C. Disclosures Specific to Variable Annuities

An investment in a variable annuity is not guaranteed, and the contract value will fluctuate with the investment performance of the subaccounts I have selected.

**Share Classes:** I understand that variable annuities are traditionally offered with varying fee and surrender periods. These are otherwise known as “share class options.” I have read the prospectus and agree the selected share class is appropriate for my expressed time horizon and other investment objectives.

**Class A Shares:** If you purchase a class A share annuity, you generally will pay a front-end sales charge at the time of purchase, however there will be no surrender charge upon termination of the contract. The amount of the front-end sales charge for A-shares generally declines when the invested amount reaches or exceeds predetermined breakpoint levels. The M&E charges and associated fees are typically lower than other share classes.

**Class B Shares:** If you purchase a B share annuity, you will not pay a front-end sales charge in most cases. However, you will be required to pay what is known as a contingent deferred sales charge, also known as the surrender charge, if making a partial or full surrender of the annuity within the surrender period. The product prospectus will identify the terms of the surrender schedule, but generally the surrender period averages 6-8 years, with the surrender charge initially ranging from 5%-7% of the annuity’s value. The surrender charge typically decreases each contract year until it reaches zero at the end of the surrender period.

**Class C Shares:** Class C share annuities generally do not carry surrender charges. However, because of their added liquidity, these annuities will typically carry higher M&E charges and associated fees. Class C share annuities are best suited for investors who are willing to pay higher fees in exchange for greater flexibility in their annuity investment.

**Class L Shares:** Class L share annuities are similar to B share annuities in that they carry surrender charges for early withdrawals. However, class L share annuities have a truncated surrender period than class B shares. This shortened surrender period comes with a cost as these contracts typically have higher charges and fees, which may reduce the investor’s return.

**Bonus Class:** Bonus class annuities generally provide investors with a credit to their account, typically equal to a percentage of the amount invested. Many bonus class annuities are offered without any sales charges on the initial investment. However, bonus class annuities usually carry higher ongoing fees and expenses with longer surrender periods. If the annuity is held for a long period of time, at some point over the life of the annuity, the higher expenses will likely outweigh the bonus credit. If you are considering this type of annuity, you should carefully review the benefit from the bonus against the possibly higher fees and expenses and longer surrender period.

#### D. Disclosures Specific to Indexed Annuities

An indexed annuity is an insurance product offered by the issuing insurance carrier and is not a securities product offered through Ameritas Investment Corp.

An indexed annuity may or may not be registered with the United States Securities and Exchange Commission (SEC) as a security.

Participation rates, cap rates and/or index spreads may be subject to change by the insurance company according to the annuity contract provisions. If the insurance company makes such changes, this could adversely affect the return.

Guarantees of the Indexed Annuity are backed by the claims paying ability of the underwriting insurance company.

The surrender charge period for this product may be longer and the surrender charges may be higher than other annuity products.

Indexed Annuities are long-term investments. If the annuity contract is surrendered early, there is the possibility of a surrender charge being imposed and/or the funds may be subject to income taxes. The IRS may also impose a 10% penalty on withdrawals prior to age 59½, depending on the circumstances.

With indexed annuities, there is the potential to lose money, depending on the product charges and minimum guarantee contract provisions.

I understand that I am not investing directly in stocks or in any index itself. Credited interest does not include dividends paid by companies comprised in the index.

There may be a “Market Value Adjustment” (MVA) on this policy, which may reduce the amount received in case of early liquidation. This reduction would be in addition to any surrender charges.

Only the interest earned in an Indexed Account may be affected by a stock or equity index.

If purchasing a bonus annuity, there may be higher internal charges, reduced crediting or benefits and longer surrender periods.

Ameritas Investment Corp. and my representative also offer other investment choices, such as mutual funds and variable annuities. Other investment alternatives were discussed, and after due consideration, the indexed annuity policy was deemed to be the most appropriate product for the client’s financial needs and objectives.

The indexing features listed in this disclosure may not include all features of the annuity being purchased.

#### E. Disclosures Specific to Fixed Annuities

A fixed annuity is an insurance product offered by the issuing insurance carrier and is not a securities product offered through Ameritas Investment Corp.

Guarantees of the fixed annuity are backed by the financial strength and claims paying ability of the underwriting insurance company.

The insured may not receive all premiums paid into the contract based on the payout structure selected.

In the case of Immediate Fixed Annuities, the insured gives up access to the funds once paid to the insurance company. They cannot be withdrawn outside of the agreed upon fixed payout structure.

#### F. Disclosures for the Roll-Over of Employer Sponsored Retirement Funds

My registered representative does not provide tax or legal advice so I should consult with my tax or legal advisor on such matters in judging related impacts pertaining to my qualified funds.

I have considered the impact of the following in my decision to roll over funds from my employer-sponsored retirement plan into an IRA:

- Range of available investment options
- Fees and expenses
- Levels of services available
- Availability of hardship distributions
- Withdrawals, loan options and penalties
- Creditor protection
- Required minimum distributions
- Tax consequences, including those related to employer stock in my plan
- Any other factors specific to my account

My registered representative has explained available options other than an IRA Rollover including retention of the assets in my previous employer’s plan (if allowed), transferring the assets to my new employer’s plan (if allowed), or cashing out the balance (may have adverse tax consequences depending on age of participant). After reviewing these options and the various impacts associated with them, I have determined they do not achieve my investment objectives.

My registered representative may earn a commission when investments are purchased for my IRA following my decision to roll over my plan assets.

## VI. Acknowledgements & Signatures

My signature below confirms that I have read and understand this form, including all disclosure statements, and that all applicable fields on this form have been completed. I certify that information provided on this form and the vendor application is accurate to the best of my knowledge. I have given careful consideration to all information provided on this form, including the disclosure statements in Section V, and I believe that this purchase will enable me to achieve my investment objectives.

**X** \_\_\_\_\_ Date \_\_\_\_\_  
 Client Signature

**X** \_\_\_\_\_ Date \_\_\_\_\_  
 Joint Client Signature

As the selling Registered Representative, my signature below confirms that I have reviewed all of the client’s information, and I believe that my recommendation to purchase this annuity is in line with client’s financial situation and investment needs, and meets the appropriate standard of care based on the facts disclosed by said client. I also attest that I have provided the client with all pertinent information about the annuity, including disclosure of the risks involved, allowing the client to make an educated and informed decision about this purchase.

**X** \_\_\_\_\_ Rep # \_\_\_\_\_ Date \_\_\_\_\_  
 Representative Signature

**X** \_\_\_\_\_ Rep # \_\_\_\_\_ Date \_\_\_\_\_  
 Supervising Principal Signature