

OUTSIDE BUSINESS ACTIVITY of FIRST ASSET FINANCIAL REPRESENTATIVES DISCLOSURE

Several of First Asset Financial Inc.'s (FAF) representatives conduct other business activities that do not fall under the supervision of FAF. For example, some of these business activities currently include insurance sales, CPA practice, a tax preparation practice, legal practice or medical practice (FAF currently has one representative who is a physician!). Any income from these non-FAF related activities is solely received by the representative and does not inure to FAF. These activities are known in the investment community as "outside business activities," meaning they are business activities that are conducted outside the scope and management of the broker dealer (FAF in this case).

If properly licensed, your financial professional, normally under a separate marketing identity, may offer non-securities products and services, among others:

- ◆ Real estate brokerage
- ◆ Life insurance, property & causality insurance, disability insurance, health insurance, long term care insurance, medicare supplement insurance, dental/vision insurance, fixed annuities, or other types of insurance, accident insurance, cancer insurance or other insurance products
- ◆ Tax preparation services
- ◆ Estate planning
- ◆ Accounting services
- ◆ Legal services

Obviously, FAF should not, and will not, be held responsible for these "outside business activities." FAF receives no income from or is it a part of these outside activities and therefore does not assume any liabilities for these activities. For example, FAF should not be held liable for any problem arising from insurance sales conducted by the representative's agency or sole proprietorship, for the CPA's audit, or for a medical problem from a doctor's practice! FAF will not be responsible for any activities of any representatives conducted outside of securities sales activities.

FAF is responsible ONLY for supervision of securities sales and (equity) index annuities. All other products or services are the responsibility of the representative him or herself, and/or their respective organizations.

Security regulations allow "outside activities," however the FAF representative is required by regulations to inform FAF of any "outside business activity" in which they engage. Mere notification and acknowledgement of this activity does not constitute supervision or liability for the business activity conducted outside of the scope of FAF securities supervision. Any business relationship you may currently have or develop in the future regarding any business activity of the representative that is not securities related (or EIA related) is not the responsibility of FAF and any disputes, problems or issues that arise from that relationship are strictly the representative or his related entities responsibility and not the responsibility of FAF.

When acting as your registered representative, your financial professional may only recommend products approved by our firm, and sales or purchases of these products may only be done through our firm. When engaged in the non-securities related activities noted above, you financial professional is not acting as a representative or agent of First Asset Financial Inc. and is not subject to the rules and regulations of the SEC, FINRA or other securities regulatory bodies, although he or she may be subject to other regulations. You should independently assure that your representative is properly qualified to engage in non-securities related activities before agreeing to conduct any of these businesses with him or her. If you have questions regard your financial professional or are uncertain whether a product being offered by any representative of First Asset Financial Inc. is a security, be sure to call First Asset at (800) 825-5511 and inquire as to the nature of the product or service being offered by the representative. We will be happy to make the determination as to whether the product or service is one offered by First Asset or is a product or service being offered by an entity other than First Asset (outside business activity of the representative).

Investors or potential investors are invited to call the home office (800) 825-5511 or (785) 825-5050 with any question or concern that they might have or by writing to the attention of the Compliance Dept., 110 E. Iron Ave., Salina, KS 67401.