

# 2014 ANNUAL REPRESENTATION & CERTIFICATION

BY REGISTERED REPRESENTATIVES

**Financial Advisor Name:** \_\_\_\_\_

Please Print Your Name Above

First Asset Financial Inc. (FAF), as a broker/dealer, and you are subject to a multitude of laws and regulations governing our industry. Regulators' rules require that you provide certain information to FAF. Each registered representative is required to be fully informed and knowledgeable about the securities laws and regulations, and to certify to his or her understanding of those matters prior to any sales activity, and periodically thereafter, as part of an ongoing compliance program. Please complete the following, providing complete explanations or additional forms where necessary. If your response changes at any time in the future, it will be necessary for you to advise FAF immediately. By certifying to the following, each registered representative is certifying that he or she has reviewed, understands and agrees with each statement, has performed any duties or obligations referred to, and will comply with all of the procedures on a continuing basis in connection with securities transactions for FAF. A space is provided after the questions that require clarification and additional pages may be attached as needed. Please note that the questions vary as to "yes" or "no" answers, based on your circumstances. Please read the questions carefully and answer EACH QUESTION ACCURATELY. Be sure to complete the section regarding the states at the end.

**Place your INITIALS in appropriate box:**

#	Questions	Yes	No
1	I understand that I may never affix, sign, alter or forge a client's or other RR's signature or initials to a document on their behalf, even if they request it as an accommodation. Express consent to sign the president's name when immediately followed "by (your name)" is permissible when permission is granted for a specific situation. Signing a document on behalf of a client, even with client consent, is always prohibited.		
2	I understand that I must notify FAF Compliance if my spouse or I have any personal securities accounts at any other brokerage firm or other financial institution. This would include any account where I have control over the investments and/or any person that lives with me. If such accounts exist and I have not previously notified FAF, I must complete a <i>Family Related Accounts Form</i> so that FAF may request duplicate confirmations and/or statements.		
3	I understand that I cannot engage in "breakpoint" sales of class "A" mutual funds (i.e. sales in an amount immediately below a sales charge reduction point described in a fund prospectus). I further understand that I must complete a " <i>M.F. Breakpoint &amp; ROA Form for Class A Shares</i> " for EVERY class A mutual fund that I sell (even after an initial order).		
4	I understand that I may not directly or indirectly give gifts, gratuities, finder fees, or payments in excess of \$100.00 per calendar year to a customer, an agent for a customer, a prospective customer, or others who have a business relationship with FAF. (If you have given gifts that exceeded \$100 in value, give a brief explanation of the gift type and value and provide the name of the recipient and business relationship to you and/or FAF.)		
5	I understand that it is my obligation to cause the investor to receive a <u>current</u> unmarked prospectus for each initial mutual fund investment. To verify this, I must complete <i>either</i> a " <i>Mutual Fund Investment Client Information &amp; Representations</i> " form <i>or</i> the mutual fund section 2 on the Acct. Application at the time of solicitation indicating the method of receipt of the prospectus receipt.		
6	I have read, executed, and understand the FAF Registered Representative Agreement and will conduct all my business as a registered representative of FAF in accordance with the terms of the Agreement.		
7	I understand that a "do not call" request must be added to my "do not call list" & also forwarded to the home office of FAF to be added to a "master" Do Not Call List. These lists must be maintained and honored for five years! Furthermore, I understand that it is illegal to call anyone on the state or federal "do not call list." I understand a violation such as this is my personal responsibility, not that of FAF and any penalties assessed are my personal obligation.		
8	Have you acted as a trustee or custodian of money, securities, or stock powers for any customers? (If yes, provide FAF with a list of account numbers and names.)		
9	I understand that I may only use written advertising and sales material that has been approved in writing by FAF <b>PRIOR TO USE</b> .		
10	I understand that I cannot accept <b>cash or stock certificates from a customer</b> for any reason. I also may not co-mingle or deposit checks from customers with any other monies, including any personal business or trust accounts of my own.		
11	I have borrowed money from or loaned money to a customer who is not related to me in the past 13 months.		
12	Have you rendered a "hold" recommendation to a customer regarding securities at SWS in the past 12 months?		
13	I understand that I may not engage in any outside business activity, and /or serve as an officer, director, or employee of another business organization for compensation without <b>prior</b> written approval of FAF. Outside activities includes any business activity outside your usual responsibilities at FAF. Compensation includes salaries, commissions, referral fees, stock options, finder's fees, and anything of present or future value. The same applies to non-monetary compensation. If I engage in any new activity, I understand that I must send FAF a completed "Outside Business Activity & DBA Form" promptly and receive permission to engage in the new outside business <b>before</b> engaging in the new outside business activity.		

#	Questions	Yes	No
14	I understand after I have disclosed an outside business activity to FAF, <b>if I CEASE this outside business activity, I must notify FAF</b> in writing, within 10 days of ceasing such activity		
15	I understand that I must submit copies of all outgoing correspondence for principal approval, including facsimile transmissions and e-mails if the correspondence makes ANY financial or investment recommendations or other otherwise promotes a product or service of the firm <b>PRIOR TO USE</b> .		
16	I understand that I must complete the “firm element” of FINRA’s continuing education on an annual basis (in addition to the Regulatory Element every 3 years). I understand that failure to complete FAF’s firm element may result in the suspension of my securities license with FAF.		
17	What address(es) do you currently conduct business from?  _____	-----	-----
18	Have you presented a written or computer generated “financial plan” to customers prepared by either a third party or by you in the past 13 months?		
19	Have you in any way guaranteed or offered to guarantee a customer against loss in any securities transactions during the past year? (If yes, indicate date and circumstances.)		
20	Have you shared directly or indirectly, in the profits or losses of an account of a customer or in a transaction with or for a customer during the past year? (If so, indicate date, name of customer and details of the arrangement.)		
21	I understand that I may not engage in any sales activity in any state in which I am not properly licensed and I understand that “sales activity” may include virtually any conversation involving the offer or sale of a security. I also understand that I am not licensed in a state until I have received confirmation from FAF indicating approval.		
22	I understand that I must sign and complete the FAF Account Form completely, accurately, and legibly for all “direct” business. I understand that without complete information, suitability cannot be determined and transactions cannot be effected. I also understand that the FAF Account Form must be <b>updated every three (3) years</b> per SEC Regulations. I understand that the “clearing firms” new account form is also required if business is conducted there.		
23	Regarding “direct orders,” I must promptly mail customer checks and applications to FAF the same day unless received after normal business hours, and then by noon of the next business day following receipt. I understand that regulations do not permit me to hold a customer’s check overnight (exception on page 5 of Compliance Manual) nor am I permitted to accept post-dated checks.		
24	I understand that I may not refund or share commissions with a customer or make other payments to a customer in connection with a mutual fund or other securities transaction.		
25	I understand that I cannot show written materials marked “For Broker/Dealer Use Only” or “For Internal Use Only” or any similar legend to customers. I understand these materials are for the information and education of registered representatives only.		
26	I understand that I cannot accept orders from someone other than the principal owner or joint owner of the account WITHOUT a written consent from the owner(s) for others to place orders for their account (including accounts where one spouse is entering orders for the other’s individually registered account)..		
27	I have executed <b>unauthorized</b> transactions on behalf of customers without any prior permission during the past 12 months. (If so, please provide copies of the trades.)		
28	I understand that I must evaluate whether the sale of “C” shares to customers is in their best interest given the expected holding time of the customer assets invested in a mutual fund family. I will recommend the proper share class to the investor.		
29	I understand that I must check the “source of funds” and be aware of money laundering practices prior to investing for customers. I understand that I must notify FAF immediately of any suspicious activity.		
30	I understand that I must immediately notify FAF if I am named in any written or verbal customer complaint (including non-securities related products), arbitration, or lawsuit, or if an existing complaint has not been previously submitted to FAF. I understand that I am not allowed to try to “work out” a settlement or correction without notifying FAF.		
31	Under new FINRA rules, I understand that I <b>CANNOT</b> have my business or home address on business cards, stationery, phone book listings or advertisements unless that location <b>IS</b> registered as a branch office. I may have my business, home, or cell phone number only on the card or stationery as long as the OSJ phone is there also.		
32	I understand that the lack of understanding of a product itself and/or the customer's investment profile is a violation of the "Suitability Rule."		

#	Questions	Yes	No
33	If challenged in a legal forum, such actions often name FAF as the “respondent superior,” under which theory challengers wish to hold FAF responsible for all of my actions. This is the reason I must inform FAF of my outside activities and disclose sources of compensation. For IRS purposes, however, I am considered an “independent contractor.” <u>I further understand that I must provide copies of my W-2, 1099-MISC, and K-1’s to FAF each year to verify “outside income” if requested.</u>		
34	I understand that if I change my personal or office address, I must notify FAF within 10 days, in writing.		
35	I understand that Insider Trading is against the law and that I must report the receipt of any inside information to FAF immediately. I may not trade on the basis of any material, non-public information, give such information to others, or recommend the purchase or sale of securities based on such information. Information generally is deemed to be “material” when a reasonable investor would rely on it when making an investment decision, yet the information is not public.		
36	I understand that as a licensed securities registered representative, all securities files at my location and customer information are the property of First Asset Financial Inc., the member firm, <b>not mine</b> . I further understand that such records must be produced to the home office on a timely basis if requested and if I leave FAF I must turn over all customer documentation requested by FAF to the home office at my expense.		
37	Is your place of business located on the premises of a bank, credit union or savings and loan?		
38	I understand that I may not have a client sign a blank form.		
39	I understand that I am required to give every customer a copy of all pages of the completed FAF Account Application, which contains a “Privacy Notice” and the required arbitration disclosure to each new customer for whom I establish a new account(s). I understand that a charge will be made to me to send out the copy to client from home office if I fail to deliver a copy to the client at the time of sale or shortly thereafter.		
40	Have you filed for protection under any bankruptcy laws in the past year or currently anticipating any such filing or have you compromised with creditors in 2013 or plan to do so in 2014?		
41	If the account form is changed in any way <u>after it has been signed by the customer</u> , I fully understand that my customer, myself or my supervisor must initial each change made on the form. The three items on the form that <b>MAY NOT BE CHANGED</b> are: (1) invest. risk (2) customer address and (3) invest. time horizon.		
42	I understand that I must complete a special FAF form(s) when selling or replacing variable annuities or variable life insurance policies. It offers disclosure to the customer and justification for the exchange and may meet FINRA requirements. A similar form must be completed when replacing a family of mutual funds.		
43	Regarding “application way orders” where I receive a check and/or order form from a customer, I understand that I <b>CANNOT</b> directly submit that order to the product provider (mutual fund, ins. co., etc.). The order <b>MUST BE</b> presented to my supervising principal for approval <b>PRIOR</b> to being mailed to the product provider.		
44	I understand that I must take steps to safeguard customer confidential information, both “paper” and electronic data. This may include protecting passwords, not leaving documents unattended, shredding, etc.		
45	I am aware of FAF’s e-mail policy and have installed and use my FAF e-mail address for all securities business. I have not sent any business related e-mail to a customer or prospect that was not sent from my FAF e-mail. If I received any business related e-mail from customers, friends, family or prospects, I have forwarded that e-mail to my FAF e-mail address (or the home office email address: <a href="mailto:FAF@firstassetfinancial.com">FAF@firstassetfinancial.com</a> ) and if a response was made, it was made from my FAF e-mail address. I will make it a practice to check my FAF email at least once per week.		
46	Have you sold any Group Variable Annuity product that was not issued through FAF during 2013 or 2014? If so, please list the companies involved and the approximate dates and amounts of sale at the end of the form.		
47	I understand that I may not advise or facilitate customers mortgaging their homes to provide investment funds. FINRA rules prohibit this practice.		
48	I understand that a “ <b>DISCLOSURE FORM</b> ” regarding FAF’s non-participation in any insurance or other products not sold through First Asset must be completed when conducting business outside of FAF with individuals who relate to the categories listed in the form.		
49	I understand that I must notify the <b>home office</b> of any address changes for customers. A home office principal must approve the changes and these changes will be made from the home office, not from my location.		
50	I understand that I can view the FINRA manual and the Notices online at <a href="http://www.FINRA.org">www.FINRA.org</a> .		
51	I understand that I cannot have any open accounts in the name of First Asset Financial Inc. or any variation of the firm name (including bank accounts, savings accounts, credit cards, utility bills, leases, etc.).		
52	Since joining FAF, I hereby affirm that there are NO customer statements, checks, account information, or other material intended to be delivered to the customer (except my own & immediate family) delivered (except duplicates) to my office, personal home address, or to any address at which I have access to the mail. I understand this is a prohibited practice.		
53	I understand that I must provide the broker-dealer (FAF) disclosure for all communications (including letterhead, business cards, etc.) concerning securities products.		

#	Questions	YES	NO
54	I understand that it is against FAF policy to make monetary contributions greater than \$250 to a political organization in the name of or on behalf of FAF without prior written authorization from the home office.(MSRB Rule G-37-b)		
55	<p>a. Do you maintain a web page; either personal or business? If you do, please list the Web address here or on a separate sheet and submit to the home office: _____</p> <p>b. Do you maintain a page or have a presence on Facebook? <u>If so, please "friend" Bob Hamman. If you don't know how to "friend" someone, please call the home office and ask for Larry Nelson.</u></p> <p>c. Do you currently have a Twitter account? : If so, have you "connected" Global Relay to the account? _____</p> <p>d. Do you have a LinkedIn account? : e. If so, have you signed up with Global Relay for your account and updated the data sharing in LinkedIn?</p> <p>f. Do you maintain a page or have a presence on any other social website? If so please list site and your address: _____</p> <p>(Examples are Bebo, Yahoo, 360, Friendster, hi5, Netlog, Mychurch, etc.)</p>	<p>Check all that apply:</p> <p>a. <input type="checkbox"/></p> <p>b. <input type="checkbox"/></p> <p>c. <input type="checkbox"/></p> <p>d. <input type="checkbox"/></p> <p>e. <input type="checkbox"/></p> <p>f. <input type="checkbox"/></p>	<p>a. <input type="checkbox"/></p> <p>b. <input type="checkbox"/></p> <p>c. <input type="checkbox"/></p> <p>d. <input type="checkbox"/></p> <p>e. <input type="checkbox"/></p> <p>f. <input type="checkbox"/></p>
56	In 2013 or so far in 2014 I have submitted all (Equity) Index Annuity products that I have sold to the FAF home office for approval for customer suitability prior to sending to an insurance company.		
57	I understand that I cannot pay referral fees or share commissions with others, except other licensed representatives of FAF.		
58	I understand that I may not use the following designations: CSA, CFG, CSFP, CEPS, RIS, and CSS.		
59	Regarding seminars, I understand that I must obtain approval for the invitation from FAF, retain a list of attendees, provide a detailed script of the presentation and all literature proposed to be used.		
60	If contacted by any regulatory agency, I agree to immediately notify the President of FAF.		
61	I understand that I must notify any purchaser of a 529 plan of what state income tax deductible plans are available in their state regardless of the 529 plan that I am presenting to them.		
62	When selling or switching any investment product, I understand that disclosure must be made to the customer regarding new surrender periods, front-end sales load, back-end sales loads, fee structures, underlying fund fees, costs of additional benefits, and other costs.		
63	<b>I understand that I must check the customer's account application or form and determine if it is older than 36 months for each direct sale. If it is, I understand that I must submit a new form with any direct order. I further understand that a new account application must accompany any re-registration of a fund from another broker dealer to First Asset.</b>		
64	Any "IM" (Yahoo Messenger, Google Talk, AOL AIM, etc.) with anyone regarding business in 2013 or 2014 has been "copied and pasted" and emailed to either First Asset or my FAF email address.		
65	For the past tax year, I consider another source (other than First Asset) to provide the majority of my income.		
	<b>Within the past 13 months, have you:</b>	<b>Check Either &gt;</b>	<b>YES      NO</b>
66	changed your name?		
67	changed your residential address?		
68	or any member of your household opened any outside securities accounts that have not been previously disclosed or reported to compliance?		
69	engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise that is not currently disclosed on your Form U4? (Please <u>exclude</u> non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.)		
70	been convicted of or pled guilty or "no contest" in a domestic, foreign, or military court to any felony?		
71	been convicted of or pled guilty or "no contest" in a domestic, foreign, or military court to a misdemeanor involving investments or investment-related business or any fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?		
72	been found to have made a false statement or omission or been dishonest, unfair or unethical by any Federal, state or SRO (FINRA)?		
73	had any order against you in connection with an investment or insurance related activity by any regulatory agency?		
74	had any self-regulatory body organization or state department found you to be in violation of its rules?		
75	been notified, in writing, that you are the subject of any regulatory complaint or proceeding or investigation?		

#	Questions	INITIAL	
		YES	NO
76	held any seminar(s) for prospects or customers?		
77	had a bond for you or an associated organization denied, paid out, or revoked?		
78	had an authorization to act as an attorney, accountant, insurance agent or federal contractor that was revoked or suspended?		
79	had any unsatisfied judgments or liens against you or compromised with a creditor with the creditor accepting less than what was originally due?		
80	I understand that I must not use instant messaging, text messaging, video messaging, chat rooms or social media sites (including Twitter or Facebook) to communicate with customers or prospects regarding securities business.		
81	I understand that my own web site must be approved by the compliance department.		
82	I certify that I review all my customer's trade confirmations, account statements and all related reports to ensure their accuracy and protect my customer's best interest.		
83	I understand that I cannot park my license with a broker/dealer and that some commissionable activity in either a customer's or my own account is necessary to show my intention of staying in the securities business.		
84	I understand that I have authorized FAF to obtain my credit report as a part of its compliance/monitoring program as long as I am registered through FAF.		
85	I certify that I do not and will not have an active commodity license while I am with First Asset.		
86	I will notify FAF in writing if I am in financial difficulty, including events such as a pending bankruptcy, repeated delinquencies, business failure, loss of full-time outside employment, large trading losses, commodities losses, gambling losses, etc. when/as they occur.		
87	I understand that I must obtain a signed "IRA Rollover Disclosure" form (#17 under "Forms" on FAF website) when "rolling" a qualified plan (i.e., a 401(k), pension plan, etc. that is other than an IRA) into an IRA. (new for 2014)		
88	I have and will maintain my "Activity Report" (Blotter) & "Correspondence Sent and Received Report" to record all transactions with customers and all correspondence sent/received from customers (with correspondence copies attached to the report) on a current basis.		
89	What is your current cell phone number? ( ) _____	-----	-----
	<b>BRANCH OFFICE INFORMATION:</b>		
90	I understand that I cannot hold out to the public that my residential address is a securities business office by listing the address in Yellow Pages, local business directories, on-line listing or any other publications or sales literature, or I have to register as a FINRA and/or state branch office		
91	I understand that I cannot conduct securities business at any location, other than a primary residence, for more than 30 business days a year without registering that location as a FINRA and/or state branch office. (The "Business day" does not include any partial business day)		
92	I understand that I cannot affect more than 25 securities transactions in any one calendar year at any location used primarily to engage in non-securities activities, or I have to register this location as a FINRA and/or state branch office.		
93	I understand that I cannot have other agents conduct securities business at my residence office unless they are members of the same immediate family or I have to register as a FINRA and/or state branch office for this location.		
94	I understand that the foregoing requirements do not constitute a complete list of all regulations and procedures that are required of me as a registered representative of First Asset Financial Inc. I understand that the Written Supervisory Procedures, Compliance updates and "Memo to Reps" contain more detailed information and will use those materials as a continuing source of reference and information in conducting securities transactions.		

Please check all the states in which customers reside with whom you do securities business:

State Abbreviation	State Name	State Abbreviation	State Name	State Abbreviation	State Name
<input type="checkbox"/> AK	Alaska	<input type="checkbox"/> LA	Louisiana	<input type="checkbox"/> OH	Ohio
<input type="checkbox"/> AL	Alabama	<input type="checkbox"/> MA	Massachusetts	<input type="checkbox"/> OK	Oklahoma
<input type="checkbox"/> AR	Arkansas	<input type="checkbox"/> MD	Maryland	<input type="checkbox"/> OR	Oregon
<input type="checkbox"/> AZ	Arizona	<input type="checkbox"/> ME	Maine	<input type="checkbox"/> PA	Pennsylvania
<input type="checkbox"/> CA	California	<input type="checkbox"/> MI	Michigan	<input type="checkbox"/> RI	Rhode Island
<input type="checkbox"/> CO	Colorado	<input type="checkbox"/> MN	Minnesota	<input type="checkbox"/> SC	South Carolina
<input type="checkbox"/> CT	Connecticut	<input type="checkbox"/> MO	Missouri	<input type="checkbox"/> SD	South Dakota
<input type="checkbox"/> DE	Delaware	<input type="checkbox"/> MS	Mississippi	<input type="checkbox"/> TN	Tennessee
<input type="checkbox"/> FL	Florida	<input type="checkbox"/> MT	Montana	<input type="checkbox"/> TX	Texas
<input type="checkbox"/> GA	Georgia	<input type="checkbox"/> NC	North Carolina	<input type="checkbox"/> UT	Utah
<input type="checkbox"/> HI	Hawaii	<input type="checkbox"/> ND	North Dakota	<input type="checkbox"/> VA	Virginia
<input type="checkbox"/> IA	Iowa	<input type="checkbox"/> NE	Nebraska	<input type="checkbox"/> VT	Vermont
<input type="checkbox"/> ID	Idaho	<input type="checkbox"/> NH	New Hampshire	<input type="checkbox"/> WA	Washington
<input type="checkbox"/> IL	Illinois	<input type="checkbox"/> NJ	New Jersey	<input type="checkbox"/> WI	Wisconsin
<input type="checkbox"/> IN	Indiana	<input type="checkbox"/> NM	New Mexico	<input type="checkbox"/> WV	West Virginia
<input type="checkbox"/> KS	Kansas	<input type="checkbox"/> NV	Nevada	<input type="checkbox"/> WY	Wyoming
<input type="checkbox"/> KY	Kentucky	<input type="checkbox"/> NY	New York		

Please use an additional sheet for any questions that require additional explanation. List the question numbers for each response. Use the bottom of this page if more space is needed. My signature below affirms that all the answers to the above questions are accurate to the best of my knowledge. In addition, my signature below represents I have not taken possession of any customer securities or cash during the past fifteen (15) months, and **I will access the most recent First Asset Financial Inc. Compliance Manual (A Version) at [www.FirstAssetFinancial.com](http://www.FirstAssetFinancial.com) (sign into "GO" and use the user ID of brokers and password of Salina and go to Compliance and then to #7. A.) and will read it thoroughly within the next thirty (30) days.**

**X** \_\_\_\_\_

Registered Representative Signature

\_\_\_\_\_ Date Completed

Printed Last Name of Registered Representative: \_\_\_\_\_



Comments:

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