

### ***Tips for Use of this Form:***

1. This form contains the disclosures required under PTCE 84-24 for the sale of insurance or annuity contracts to plans or IRAs.
2. The agent may not be a trustee of the plan or IRA, a plan administrator, a fiduciary with discretionary authority to manage assets, or an employer of employees covered by a plan.
3. For Section 1 the definition of “affiliate” is any person directly or indirectly controlled by or under common control with the insurer. “Control” means the power to exercise a controlling influence over the management of a person. Most independent insurance agents have the ability to sell with multiple carriers and are not under the “control” of a carrier. If you are a Captive Agent with one specific insurer, you will want to closely review this definition to determine if a box needs to be checked in this Section.
4. For Section 2 you just need to include the expected commissions split percentage you would receive from the sale of the product.
5. For Section 3 you will need to list any fees over the base product features. For example, surrender charges, rider fees, bonus features etc.
6. For the Purchaser Acknowledgement Section:
  - If the funds are coming from an existing plan, the plan administrator should sign the form.
  - If the funds are coming from an IRA that is managed by a third party, that third party should sign the form.
  - If the funds are coming from a self-directed IRA or if the selling agent manages the investments for the IRA the consumer should sign the form.
7. Be sure to fully complete the form. A copy should be provided to the customer along with keeping the original in the customer’s file.

**DISCLOSURE STATEMENT FOR  
PURCHASE WITH PLAN OR IRA ASSETS OF AN INSURANCE OR ANNUITY  
CONTRACT AND RECEIPT OF A SALES COMMISSION**

**Purchaser** (insert name of plan or IRA to which the offer is made):

\_\_\_\_\_

**Insurance or Annuity Contract** (Product Name):

\_\_\_\_\_

**Issuer** (insert name of insurance company):

\_\_\_\_\_

These disclosures are being provided to Purchaser in connection with recommendations by Agent for the purchase of an insurance or annuity contract by Purchaser using assets of the Plan or IRA identified above:

1. Information regarding Agent [check boxes that apply]:

- Agent is affiliated with the insurance company whose contract is being recommended.
- Agent's ability to recommend insurance or annuity contract is limited by any agreement with the Insurer identified above.
- Not applicable.**

2. The commission to be paid to Agent by the Insurer in connection with the purchase of the recommended contract is [check box that applies]:

- Annual Premium Contract
  - \_\_\_% of the gross annual premium payments for the first year of the contract; and
  - \_\_\_% of the gross annual premium payments for each succeeding year of the contract.
- Single Premium Contract
  - \_\_\_% of Contract premium paid upon issuance of the Contract
  - \_\_\_% of Contract premium for each succeeding year Contract is in effect

3. Additional charges [check box that applies]:

- The charges, fees, discounts, penalties or adjustments which may be imposed under the recommended contract in connection with the purchase, holding, exchange, termination or sale of the contract are:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

- There are **no** additional charges, fees, discounts, penalties or adjustments.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of agent

### **PURCHASER ACKNOWLEDGMENT**

The undersigned represents and acknowledges that he/she:

- is a fiduciary of the Purchaser;
- is independent of the Insurer;
- is not an insurance agent or broker, pension consultant or insurance company involved in the transaction;
- has received the foregoing information;
- approves the purchase of the insurance contract on behalf of the Plan; and
- will not receive, directly or indirectly (*e.g.*, through any affiliate), any compensation or other consideration for the undersigned's own personal account from any party dealing with the plan in connection with the transaction.

Received, approved and agreed by the undersigned Fiduciary

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

Note: The purpose of this disclosure form is to provide important information for the Purchaser to consider in determining whether to purchase an insurance or annuity contract with Plan or IRA assets. The information is intended to satisfy the requirements and conditions of U.S. Department of Labor Prohibited Transaction Exemption 84-24.