

COMPLIANCE ALERT – VERY IMPORTANT

Revised Suitability Form Required January 1, 2011

Recently, there have been several OM Financial Life Insurance Company bulletins informing you of the Company's adoption of NAIC Model Regulation standards and requirements. Specifically, this involves a new OM Financial Life suitability process which will be implemented starting January 1, 2011.

We will require the completion of a new Suitability Acknowledgement Form (see attached) as of January 1, 2011. This will be an essential component of the Company's suitability process and, again, will be required effective January 1, 2011.

Attached you will find:

- OM Financial Life's new Suitability Acknowledgement Form
- Suitability Instructions and Definitions

This new Suitability Acknowledgment Form must be completed and submitted with every annuity application signed on or after January 1, 2011.

Any application submitted without this form completed in its entirety (no blanks) will be rejected and sent back as "Not In Good Order".

Also, OM Financial Life does not allow customers to "opt out" of providing the information required on the revised Suitability Acknowledgement Form.

Thank you for doing business with OM Financial Life. You may reach us at 888-697-5433 if you have any questions.

Old Mutual is the marketing name of OM Financial Life Insurance Company, and in NY only, OM Financial Life Insurance Company of New York, Old Mutual plc companies. Each Old Mutual Company is solely responsible for its contractual commitments.

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Suitability Acknowledgement Form

ADMIN 5463

INSURER: **OM FINANCIAL LIFE INSURANCE COMPANY**

Product Information

ANNUITY TYPE

- Qualified
 Non-Qualified

DEFERRED ANNUITY

- Fixed Indexed
 Multi-Year Guarantee

IMMEDIATE ANNUITY

- OMImmediate-Income
 OMImmediate-Safeguard

Information about the Owners

(Mr)(Ms) _____ / ____ / ____ _____ _____
Owner's Name* Date of Birth Age Telephone
(*Annuitant or Grantor if Owner is not a person)

(Mr)(Ms) _____ / ____ / ____ _____ _____
Owner's Name* Date of Birth Age Telephone

Work Status: Owner: Retired Employed Unemployed Other _____
Jt. Owner: Retired Employed Unemployed Other _____

Do you or your spouse currently reside in a nursing home or assisted living facility?

Owner: Yes No
Jt. Owner: Yes No

Marginal Tax Rate: 0% 10% 15% 28% 33% +

Number and Age(s) of Dependents: _____

Do you currently or have you previously owned any of the products listed below and for how long?

- | | | | |
|--------------------------------------------------|--------------|----------------------------------------------------------------------|--------------|
| <input type="checkbox"/> Stocks & Bonds | Years: _____ | <input type="checkbox"/> Govt Securities | Years: _____ |
| <input type="checkbox"/> Certificates of Deposit | Years: _____ | <input type="checkbox"/> Fixed Annuities | Years: _____ |
| <input type="checkbox"/> Variable Insurance | Years: _____ | <input type="checkbox"/> Fixed Annuities | Years: _____ |
| <input type="checkbox"/> Mutual Funds | Years: _____ | <input type="checkbox"/> I have not owned any of the above products. | |

What is your risk tolerance? (Please circle number to indicate your risk tolerance.)

1	2	3	4	5	6	7	8	9	10
Conservative			Moderately Conservative/Moderately Aggressive				Aggressive		

What are the primary reasons for purchasing this annuity?

(Please check no more than 3)

- | | | |
|------------------------------------------------------|----------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> Tax Deferral | <input type="checkbox"/> Wealth Accumulation | <input type="checkbox"/> Immediate Income |
| <input type="checkbox"/> Potential for better rate | <input type="checkbox"/> Death Benefit | <input type="checkbox"/> Estate Planning |
| <input type="checkbox"/> Protection from Market Risk | <input type="checkbox"/> Medicaid or VA Aid | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Retirement Income | and Attendance | |

If purchasing this annuity for Medicaid/VA planning are you doing so at the advice of a qualified attorney?

- Yes No I am not purchasing this annuity for Medicaid/VA planning.

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Financial Information

Monthly Income

Approximate Monthly Household Income: (Net after taxes)	\$ _____ (a)	Approximate Monthly Household Expenses:	\$ _____ (b)
		Monthly Disposable Household Income:	\$ _____ (c)
			(a) - (b) = (c)

Source(s) of Income

<input type="checkbox"/> Salary/Wages	<input type="checkbox"/> Interest Income	<input type="checkbox"/> Pension/IRA Payments	<input type="checkbox"/> Trust Income
<input type="checkbox"/> Social Security	<input type="checkbox"/> Dividends	<input type="checkbox"/> Other Annuities	<input type="checkbox"/> Other _____

Non-Liquid Assets

Value of Home	\$ _____	Other Real Estate	\$ _____
Business Interests	\$ _____	Qualified Plans (if under 59 1/2)	\$ _____
Mutual Funds/Brokerage Accounts not readily convertible to cash without penalty	\$ _____	Annuities/Insurance cash values subject to surrender penalties	\$ _____
		Other _____	\$ _____
		Total Non-Liquid Assets:	\$ _____ (d)

Liquid Assets

Cash, Cash Equivalents	\$ _____	Mutual Funds/Brokerage Accounts readily convertible to cash without penalty	\$ _____
Short Term CDs	\$ _____	Annuities/Insurance cash values not subject to surrender penalties	\$ _____
Bank/Savings Accounts	\$ _____	Other _____	\$ _____
Money Market	\$ _____	Total Liquid Assets:	\$ _____ (e)

Gross Value of Assets
(Total Non-Liquid Assets plus Total Liquid Assets) \$ _____ (f)
(d) + (e) = (f)

Total Liabilities, debts, loans
(Including Mortgages) \$ _____ (g)

Total Net Worth \$ _____ (h)
(f) - (g) = (h)

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INSURER: **OM FINANCIAL LIFE INSURANCE COMPANY**

72 What is the total amount of this annuity purchase? \$ _____ (i)

73 **Remaining Liquid Assets** (after purchasing this annuity) \$ _____ (j)
(e) - (i) = (j)

74 Other Important Considerations

75 Approximate number of years you plan to keep this annuity:

76	1	2	3	4	5	6	7	8	9	10+
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77 Do you anticipate taking distributions from this annuity? Yes No

78 If yes, please check applicable box below.

79 Surrender Charge Free

Annuitization

80 Partial Withdrawals

Guaranteed Lifetime Income Rider

81 Systematic Withdrawals

Other (Please Specify):

82 Lump Sum Withdrawal/Full Surrender

83 With the exception of any surrender charge free withdrawals when do you plan to take distributions from
84 this annuity?

85 < 1 year from now

> 10 years from now

86 1-5 years from now

Uncertain

87 5-9 years from now

Do not plan to take distributions

88 After purchase of this annuity, do you believe you have enough remaining liquid assets and other sources of
89 income to cover any emergencies or contingencies such as sudden health care needs or increased living
90 expenses? Yes No

91 Do you anticipate any changes in assets, living expenses, medical expenses, and/or income during the
92 surrender period of this contract? Yes No

93 (If yes, please explain): _____

95 What is the **Source of Funds** for this annuity purchase? (check all that apply)

96 Cash or Cash Equivalent

Inheritance

97 Another Fixed Annuity

Reverse Mortgage/Home Equity Loan

98 Variable Annuity

Other (Please Specify):

99 Life Insurance Cash Value

100 Mutual Fund Redemption

101 Will this annuity replace an existing life insurance or annuity contract? Yes No

102 If so, please answer the following questions:

103 What is the surrender charge percentage on the replaced contract(s)?

104 Company/Contract # _____

Surrender Charge _____ %

105 Company/Contract # _____

Surrender Charge _____ %

106 (Attach additional policies on a separate sheet)

107 Have you replaced or exchanged any life or annuity contracts within the past 36 months? Yes No

Suitability Acknowledgement Form

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INSURER: **OM FINANCIAL LIFE INSURANCE COMPANY**

Please explain why you wish to replace your current life insurance or annuity contract(s)

Will this annuity replace any other financial product? Yes No

If yes, will you pay a penalty to access these funds? Yes No

If yes, what is the charge, fee or penalty assessed?

Type of Product/Account # _____ Charge, Fee or Penalty _____ %

Type of Product/Account # _____ Charge, Fee or Penalty _____ %

Rationale

Basis for recommendations to purchase annuity/replace or exchange existing annuity(ies):

Acknowledgements

- I understand an annuity is a long term contract.
- I understand surrender charges may apply to withdrawals, withdrawals may be taxable and when made before age 59 ½, may result in tax penalties.
- I understand that this annuity charges a surrender charge schedule beginning at _____% and declines over _____ years.
- I understand that my principal may be subject to a surrender charge if I surrender or partially surrender my contract before completion of the surrender charge period.
- I understand annuities that offer bonus features may have higher fees and charges, lower credited interest, and longer surrender charge periods than annuities that do not provide a bonus feature.
- (If replacement) I understand the benefits and costs of this replacement, including but not limited to surrender charges, possible loss of benefits, tax consequences, product features and enhancements, fees, and expenses. My Agent has provided a comparison of the benefits and restrictions of both contracts.
- I understand that I should contact my tax professional or attorney for any tax or legal advice.

DO NOT SIGN THIS FORM IF ANY ITEM IS LEFT BLANK. PLEASE CAREFULLY REVIEW THE FORM AND SIGN ATTESTING THAT THE INFORMATION IS TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE.

Owner/Applicant's signature (Annuitant or Grantor if Owner is not a person) _____
Date

Joint Owner/Applicant's signature _____
Date

Suitability Acknowledgement Form

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INSURER: OM FINANCIAL LIFE INSURANCE COMPANY

Agent's Statement

I believe the purchase of this annuity contract is suitable after carefully reviewing the suitability information provided to me by the Owner. If applicable, I have discussed the advantages and disadvantages of any replacement or exchange of another annuity contract or life policy. I have reasonably informed the owner(s) of all important features of the annuity and proposed transaction. To the best of my knowledge, the questions on this form have been answered truthfully and I have complied with OM Financial Life suitability requirements consistent with my contractual obligations.

Agent signature

Date

Agent's Printed Name and Producer Number

Annuity Suitability Instructions and Definitions

INSURER: **OM FINANCIAL LIFE INSURANCE COMPANY**

Suitability - The Company's Requirements

OM Financial Life Insurance Company ("OM Financial Life") requires that all producer recommendations for the purchase or replacement of annuity products should have a reasonable basis as to their suitability for the consumer, based on the information disclosed by the consumer to the producer at the time the recommendation is made.

OM Financial Life also requires its appointed producers to make every reasonable effort to present each client with the information necessary to make well-informed decisions relating to the purchase, exchange, or replacement of any annuity product.

At a minimum, OM Financial Life producers and their clients should be able to answer "yes" to each of the questions below prior to completion of any annuity purchase, exchange, or replacement:

- Does the client understand the key features of the product?
- Does the client understand the purpose of the annuity?
- Does the client have adequate remaining funds in case of an emergency? Is the client comfortable there are no likely, foreseeable significant adverse changes in income or expenses during the annuity surrender period that may affect the client's decision to purchase an annuity?
- If the client is replacing or exchanging another product with this annuity, does the client understand the pros and cons of the exchange, i.e., tax penalties, surrender charges, new surrender periods, loss of existing benefits? Will the consumer benefit from the new annuity's features and enhancements such as any riders selected? Is the complete transaction (including surrender and purchase) suitable?

Suitability Reviews

OM Financial Life has established new home office procedures for reviewing the suitability of annuity sales transactions. The process involves a review of information you submit with every application, including a review of our Suitability Acknowledgement Form ("SAF").

The SAF will be reviewed to determine whether the suitability information provided in connection with the transaction:

- Appears to reflect a reasonable basis as to suitability and should be accepted for issue
- Appears to lack a reasonable basis as to suitability and should be declined
- Requires further review of certain factors and should be held until we complete our review.

In situations where additional review is required, OM Financial Life will conduct an **elevated** review of the suitability information, which may include:

- Contacting producers by telephone with additional questions
- Conducting telephone interviews with applicants; and/or
- Requesting written responses and/or documentation from producers to support purchase, replacement, or exchange recommendations.

OM Financial Life will decline transactions determined, via the suitability review process, to lack a reasonable basis as to their suitability. Also, the Company may offer your client the right to free-look an issued annuity at any time, and may reserve the right to charge back any commissions paid on that transaction.

Annuity Suitability Instructions and Definitions

INSURER: **OM FINANCIAL LIFE INSURANCE COMPANY**

Suitability - The Producer's Responsibility

Pursuant to the adopted NAIC Model Regulation on Suitability in Annuity Transactions, a licensed insurance producer must have reasonable grounds for believing that the recommendation of the purchase, replacement or exchange of an annuity is suitable based on the insurance needs and financial objectives disclosed by the consumer.

It is your responsibility – both as an appointed producer for OM Financial Life and as a licensed insurance producer – to recommend the purchase, exchange, or replacement of an annuity only after carefully evaluating the unique financial circumstances, objectives and needs of your customer and determining an annuity is suitable.

Prior to the recommendation to purchase, exchange or replace an annuity, you are also required to ensure the following:

- The consumer has been reasonably informed of the material features of the annuity,
- The consumer will benefit from purchasing the annuity, and
- The annuity as a whole is suitable for the consumer.

When a recommendation involves a replacement or exchange, you are also required to consider the following:

- Will the consumer incur surrender charges?
- Will the consumer benefit from product enhancements (such as riders)?
- Has the consumer had another annuity exchanged or replaced within the preceding thirty-six (36) months?

Suitability Acknowledgment Form

The OM Financial Life Suitability Acknowledgement Form (“SAF”) is an essential part of the Company’s suitability program and is required with every new annuity application.

The SAF is designed to help you assess your client’s financial situation and determine whether an annuity is suitable by asking many of the questions to be considered prior to making an annuity recommendation, including, but not limited to:

- What are your client’s net worth and liquid assets?
- How much of your client’s liquid assets will remain after the purchase of this annuity? Will your client’s income after the purchase of this annuity sufficiently cover his or her living expenses?
- What is your client’s monthly disposable household income?
- What is the source of the funds being used to purchase this annuity?
- What is your client’s purpose for purchasing the annuity? I.e. what financial goals will this annuity help you achieve.
- Does the long term nature of an annuity product fit the client’s time horizon? How long does your client intend to keep the annuity?
- What is your client’s investment experience? What other products does your client currently own or has owned in the past?
- What is your client’s federal tax bracket?
- How much risk is your client willing and able to sustain in exchange for potentially greater gain?

Annuity Suitability Instructions and Definitions

INSURER: OM FINANCIAL LIFE INSURANCE COMPANY

Documents and Recordkeeping

- When completing the SAF, remember to complete all blanks and answer all questions. Incomplete forms will cause an application to be deemed “Not in Good Order” and will delay suitability review and issuance of the annuity.
- OM Financial Life does not permit consumers to “opt out” of completing the SAF.
- Edits to information on the original SAF, including additional information not previously disclosed, must be initialed and dated by the proposed contract owner(s).
- Always keep copies of the SAF and all other documents, make notes of conversations with clients, and save any other information considered in your suitability assessment so you can demonstrate the basis for your recommendations.
- Promptly provide additional information to OM Financial Life when requested.

Whose Suitability Information should be collected?

Below are some basic rules to help in determining whose suitability information should be collected:

- If the proposed owner of the contract is a natural person, but not the same as the annuitant, the SAF should be completed with the proposed owner’s information.
- If the proposed owner is a revocable trust, the SAF should be completed with the grantor’s information.
- For most other “non-natural” owners, (i.e., irrevocable trusts, custodial relationships, UTMA or UGMA contracts, corporations) the SAF should be completed with the beneficial owner’s information, generally the proposed annuitant.

Signatures – Who should sign the form?

Both you and the proposed annuity owner(s) are required to sign the SAF. You should review each point of the form with your client to ensure your client is reminded of the key considerations in purchasing the annuity and acknowledging all of the information provided is complete and accurate to the best of your client’s knowledge.

In cases where the proposed annuity owner is a non-natural person, the following guidelines generally apply:

- If the proposed owner is a trust, the trustee must sign the SAF. A copy of the title page of the trust authorizing the trustee to perform financial transactions, and the signature page of the trust should be provided with new business paperwork.
- If the proposed owner is a corporation, the appropriate corporate representative must sign the SAF. A copy of the Corporate Resolution reflecting the signor has the authority to act on behalf of the corporation should be provided with new business paperwork.
- If the contract is an UTMA or UGMA, the parent/custodian must sign the SAF.

Suitability Definitions

Household: The Owner and Owner’s spouse or partner. Or, an adult residing with the Owner and sharing finances (i.e., income and expenses) with the Owner.

Owner: A person who will own the annuity contract if issued. Owners have the right to make withdrawals, surrender or change the designated beneficiary. Owners may also be trusts, corporations and other non-natural persons.

Annuity Suitability Instructions and Definitions

INSURER: OM FINANCIAL LIFE INSURANCE COMPANY

Monthly household income: After-tax approximate household income of Owner and any spouse/partner including but not limited to earned and investment income, such as salary and wages, social security payments, pension and IRA payments, rental income, and interest and dividends earned on other financial instruments. (Income currently earned on financial instruments that will be used to fund the annuity purchase should not be included.)

Monthly household expenses: Approximate household expenses of the Owner and any spouse/partner including but not limited to rent/mortgage payments, utilities, travel and transportation, insurance premiums, healthcare including insurance premiums and any deductibles or copayments, debt repayment, support for dependents, membership costs, vacation costs, charitable contributions and property taxes.

Monthly disposable household income: Monthly household income minus monthly household expenses.

Emergency: A significant unanticipated change in circumstances during the surrender charge period of the recommended annuity, including potential changes in medical expenses, financial situation, or living arrangements.

Total Net Worth: Total assets minus total liabilities (i.e., debts, loans, mortgages or any other liabilities).

Liquid Assets: Assets that can be accessed without substantial penalty such as checking and savings accounts, money markets, short term certificates of deposit, and no-load mutual funds.

Source of funds: The original source(s) of money used to purchase the annuity and make any subsequent premium deposits into the annuity.

Distributions: Payments or withdrawals to be taken from annuity.

Risk tolerance: Level of risk a consumer is willing and able to accept for potentially greater returns.

Replacement: A transaction in which the a new annuity is to be purchased, and it is known or should be know to the producer, that by reason of the transaction, an existing annuity or life policy has been or is to be: (a) lapsed, forfeited, surrendered, or partially surrendered, assigned to the replacing insurer or otherwise terminated, (b) converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced in value by the use of non-forfeiture benefits or other policy values, (c) amended so as to effect either a reduction in benefits or in the term for which coverage would otherwise remain in force or for which benefits would be paid; (d) reissued with any reduction in cash value, or (e) used in a financed purchase.

Age: Owner's legal age at time application is signed by the proposed owner.

Exchange: A 1035 tax free exchange in which the Owner transfers money from one annuity to another annuity.