

Supporting Vendor Program

From time to time, VSR Financial Services, Inc. (“VSR”) has entered into marketing arrangements with a limited number of product sponsors (referred to as the “Supporting Vendors”). We want you to be aware of these arrangements because they could be viewed as providing an incentive to promote a Supporting Vendor’s products over those offered by other sponsors. Although the details of the arrangements differ among the Supporting Vendors, in general, the Supporting Vendors provide certain direct and indirect economic benefits to VSR and its Representatives, including the following:

- Supporting Vendors may pay VSR a fee for attending VSR’s meetings, and may pay all or part of certain costs (such as speaker fees or special event costs) incurred in connection with our meetings.
- Supporting Vendors pay VSR a fee, which may be up to one percent, based on sales of the Vendor’s products, or for money managers, which may be up to one-third of a percent (33 basis points) of the assets under management for customers referred by VSR.

VSR’s Supporting Vendors are given greater access to VSR’s Representatives to provide training, product education, information on industry trends, and other issues. For example, the Supporting Vendors are permitted to participate in VSR’s meetings with its Representatives, are allowed to submit articles for publication in VSR’s newsletter to its Representatives, and are given access to VSR’s confidential website. Product sponsors who are not Supporting Vendors are generally not given such access to VSR’s Representatives or website.

2011 - 2012 Supporting Vendors

Mutual Funds

Franklin/Templeton	Hartford Mutual Funds	Invesco Funds	
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Variable Annuities

Jackson National	MetLife	Pacific Life	Transamerica
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Insurance Companies

ECA Marketing	Target	TNBC	
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Money Managers

Bayhawk	First Clearing Programs	James Capital	Potomac Asset Mgmt
SignalPoint	Tealwood Asset Mgmt		

Oil and Gas

Atlas	Bradford Exploration	Mewbourne Oil	Penneco Drilling
REEF Oil & Gas	Waveland		

Real Estate

Arciterra	Behringer Harvard	CNL	Cole Capital
Dividend Capital	Epoch	Florida Capital	Gentry Mills
Hines	Inland Real Estate	KBS	MPF
NetREIT	PASSCO	Realty Capital	Resource America
UDF	Virtus	Wells Real Estate	WNC

Leasing

Cypress			
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Managed Futures

APM Funds	Frontier	Millburn Ridgefield	Steben &Co.
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Other Programs

Franklin Square	Triton Pacific		
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Except for the compensation described above, the Supporting Vendors do not pay other compensation to VSR beyond that which is described in the prospectuses or other offering documents for the Vendor’s programs. Moreover, VSR does not accept “directed brokerage” transactions from any product sponsor. The revenue received by VSR from the Supporting Vendors represents less than 2% of VSR’s total income.