

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.

2008 - 2009 Supporting Vendors

Mutual Funds

AIM Funds	Franklin/Templeton	Hartford Mutual Funds
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Variable Annuities

AXA	ING	Jackson National	Lincoln Financial
Pacific Life			

Insurance Companies

Target	TNBC
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Money Managers

Bell Capital Mgmt	ICON Advisers	Tealwood Asset Mgmt	Potomac Asset Management
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Oil and Gas

Atlas	Alliance Petroleum	Black Diamond	Bradford Exploration
Mewbourne Oil	Penneco Drilling	Reef Oil & Gas	Ridgewood Drilling
Waveland			

Real Estate

Arciterra	Behringer	CNL	Cole Capital
Dubose	Evergreen Development	Florida Capital	Gentry Mills
Inland Real Estate	KBS	MPF	NetREIT
Odyssey	PASSCO	Resource America	Summit Hotel
United Development Funding		Wells Real Estate	

Leasing

ATEL	Cypress	ICON	LEAF
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Managed Futures

APM Winton	Campbell	Frontier	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.