

Questar Capital Sponsorship Program Disclosure (Client Copy)

Questar Capital offers many mutual funds, variable annuities, variable life contracts, asset management platforms, real estate investment trusts and other products to retail investors through registered representatives.

Due to the vast industry offerings in these product categories, Questar Capital has decided to develop a Strategic Partner program to assist registered representatives in determining which product providers to consider for recommendation to clients and prospects.

The criteria for being a strategic partner includes an in depth due diligence analysis of the product sponsor. This process takes most of the relevant objective measures into account, such as but not limited to the following:

- Reputation in the industry
- Performance
- Tenure of the firm and current management
- History of the firm
- Marketing stipends provided to Questar Capital
- Personal visit to the provider home office by management personnel
- Many “what-if” scenarios to minimize risk of the departure of key personnel, downturn in certain market segments, etc.

As a client or prospect of a registered person with Questar Capital we believe you have the right to know that Questar Capital receives compensation from these partners over and above the standard concessions disclosed in the product prospectuses, and that compensation is a material factor in entering into partnership. This compensation may be as high as 1.5% (150 basis points) on gross sales of certain partner products. For example, assuming the highest compensation rate, the compensation to Questar Capital on a \$10,000 investment would be \$150. Payment of this additional compensation may pose a financial incentive for Questar Capital to promote Strategic Partner products over other products.

This compensation is used to offset the costs of due diligence, educational conferences for registered representatives, and the implementation of the Strategic Partner program as outlined above. These payments are paid to the broker/dealer and may be shared with registered representatives making recommendations to the public.

In addition, mutual fund, insurance, asset management, and real estate companies may sponsor meetings, host other events for representatives or home office staff, or cover other expenses related to the operation of the broker/dealer or representatives business. These payments and expenses are usually included in, but may be in addition to, the payments outlined above. These payments may be shared with a registered representative to defray expenses and comply with applicable industry rules and regulations.

For a list of our current strategic partners please visit the Questar Capital Web site at www.questarcapital.com. The strategic partners are listed by product under the Product and Brokerage Services tab.