

# Prime Capital Services, Inc.

## Revenue Sharing Disclosure

Prime Capital Services, Inc. (“PCS”) offers a wide variety of products including mutual funds, annuities, life insurance, reits and 1031 exchange real estate programs. We collectively refer to the companies that issue and underwrite these products as Product Sponsors. PCS believes it is important that you are aware of our revenue sharing arrangements when you and your Representative evaluate your investment options. The method of calculation and the amount of revenue sharing paid by each Product Sponsor may vary and is subject to change or renegotiation at any time.

Because there are thousands of investment choices for sale, PCS focuses on a select group of Product Sponsors that offer a broad spectrum of products. These Product Sponsors have greater access to our representatives in providing training and other educational presentations so they can serve our clients better. We call this our Strategic Partner Program. Strategic Partners make additional payments to PCS to participate in this program. Please consult your product’s prospectus for specific details. The fee that PCS receives from Strategic Partners varies and can be a flat fee or payment based on sales. It should be noted that PCS representatives receive no additional fee incentives to sell you products in the Strategic Partner Program other than a possible ticket charge reduction or waiver, which is available upon request. In addition, most fees received by PCS from Strategic Partner Product Sponsors are used to support educational and other developmental programs for PCS representatives designed to enhance the level of service and assistance you receive.

The following companies participate in the Strategic Partner Program:

American Enterprise	John Hancock
AXA Distributors	KBS
Beringer Harvard	Oppenheimer
Hartford/Planco	Penn Mutual
ING	Prudential
Inland Securities	Wells
Jackson National	

For additional information on a particular product’s payment and compensation practices, please see the prospectus, offering documents, or statement of additional information.

In addition to our Strategic Partner Revenue-Sharing, PCS seeks to collect a payment from other fund families and/or investment companies and insurance companies in the form of marketing, seminar, and educational activity payments. Representatives of Fund Families, Investment Companies and Insurance Companies are provided access to our branch offices and PCS Representatives for educational, seminar, marketing and other promotional efforts. Although all Fund Families, Investment Companies and Insurance Companies are provided with such access, some Fund Families, Investment Companies and Insurance Companies devote more staff and resources to these activities and therefore may have enhanced

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opportunities to promote their products to PCS Representatives. This fact could, in turn, lead PCS Representatives to focus on those Fund Families, Investment Company and Insurance Company products when recommending Mutual Funds, Variable Annuities, Fixed Annuities, Index Annuities or Variable/Fixed/Universal Life Insurance products to our clients instead of on the products of the Fund Families, Investment Companies and Insurance Companies who do not commit similar resources to education, seminar, marketing and other promotional efforts.

The following companies participate in marketing, seminar, and educational support payments:

AIG Sun America	Franklin Templeton
AIM Investments	GE
Allianz	Metropolitan Life
Black Rock	MFS
Evergreen	Pacific Life
Fidelity	Transamerica
First Trust	Sun Life
Guardian	IVY Funds
Nationwide	Thornburg
First American Funds	Hines REIT
RS Mutual Funds	First Eagle Funds

In addition to revenue sharing payments, registered representatives (“RR’s”) and/or their managers at PCS do receive directly or indirectly additional cash benefits and non-cash compensation or reimbursements from PCS or its affiliates, Product Sponsors, or other product issuers, including but not limited to reimbursements for sales and/or educational public seminar and advertising expenses. Additional compensation or reimbursement arrangements does include payments in connection with the firm’s conferences or seminars, sales or training programs for invited RRs and other employees, and seminars for the public. The amounts may be significant and may provide our affiliates, Product Sponsors, or other product issuers with increased access to the RRs.

For additional information on a particular product’s payment and compensation practices, please see the prospectus, offering documents, or statement of additional information. For further information relating to the fees and expenses associated with specific products please contact the Compliance Department directly @ 845-486-4162 or your representative.