



Additional Compensation

At GWN Securities, Inc., ("GWN"), we strive to provide to you objective investment advice to assist you in retiring well. There are inherent in any recommendations, however, the potential for conflicts of interest. This conflict can come from the compensation our Representatives may receive on specific investments or advisory services, or it may come from the compensation that GWN may receive from third party providers as a result of your purchase of products, advisory or retirement plan services. It is important for you to understand these conflicts of interest so that you may make an informed decision to permit GWN to serve your investment needs. We will describe for you here some of the compensation factors that may affect your Representative's recommendations or GWN's decision as to the products and services that we offer. Should you have any questions about this information, please contact your GWN Financial Representative.

Product and Pricing Choice.

GWN's Product Sponsors have been chosen based on their ability to offer products that meet the financial needs of our investors. With the ever expanding array of products and services available to investors, and the complexity associated with many of today's product choices, it is important for investors to work with a Financial Representative. GWN Representatives are dedicated to assisting you in finding the right investment product. GWN offers a broad selection of more than 1,000 mutual fund and variably annuity choices. GWN does not maintain a "preferred" list of companies based on participation in revenue sharing that it promotes (exclusively on its Website or through its registered representatives) but offers a selection of many companies.

Products and Services Compensation.

As a registered broker dealer, GWN receives compensation in the form of commissions or concessions as described in a prospectus for the sale of securities, such as mutual funds, variable annuities, stocks and bonds. As a registered investment adviser, GWN retains a portion of the advisory fees paid by the advisory client for GWN's advisory services and may also share in the advisory fee (a solicitor fee) paid by the advisory client to outside advisory services. As a general insurance agency, GWN receives compensation for the sale of insurance products, such as, life, health, disability, long term care, and fixed annuity products. Overall, compensation to GWN as a result of your investments with GWN may be in the form of commissions, concessions, advisory fees, distribution fees (also referred to as servicing or 12b-1 fees) and persistency fees.

Compensating Sponsors.

GWN receives compensation over and above published commission schedules, advisory fees and concessions as described in a prospectus from certain Product Sponsors. This compensation may be paid for services we provide to the Product Sponsor or they may be paid to GWN in order to provide sales and marketing support. This "Additional Compensation" may be received as a flat dollar amount or an amount based on sales or total dollar amount of investors' assets. Product Sponsors who pay GWN Additional Compensation are considered GWN's "Compensating Sponsors."

Source of Compensation.

Most Additional Compensation payments are paid to GWN out of the revenues of the sponsoring investment company or insurance company and are NOT paid out of fund assets. Certain insurance companies or entities through which GWN places insurance business pay compensation that is based in part on factors such as total deposits, assets or premium volume and persistency or profitability of the business sold by GWN's Financial Representatives. The cost of this compensation may be directly or indirectly reflected in the premium or fee for the product.

Because Additional Compensation received by GWN may benefit GWN or its Financial Representatives financially, it may be deemed a potential financial conflict of interest when working with our investors.

Compensating Sponsors.

GWN has received or is expected to receive Additional Compensation from the following product sponsors, investment advisors, insurance companies and insurance general agencies in 2008:

ICON	\$25,000.00	Jackson National	\$15,000.00
VALIC	\$15,000.00	OneAmerica	\$10,000.00
Security Benefit	\$10,000.00	Commonwealth	\$7,500.00
Great American	\$7,500.00	AAMA	\$6,500.00
ISN (Prudential/Aviva)	\$5,000.00	Symetra	\$5,000.00
Matrix	\$3,500.00	Prudential	\$3,000.00

Types of Additional Compensation.

The types and amounts of Additional Compensation can vary by Compensating Sponsor and other companies we have agreements with. The types of compensation is described below:

- Administrative fees for such services as record-keeping or networking arrangements, which were paid by Product Sponsors on the value of assets or number of accounts;
- Sponsorship Fees paid by Product Sponsors and Investment Advisors for GWN sponsored sales events, paid in the form of cash or expense reimbursement, for sales meetings, seminars and conferences to which the Compensating Sponsor is invited;
- Additional Marketing and Sales Support Compensation received either in the form of a flat dollar amount, total sales transacted, or total assets held on behalf of GWN investors;
- Reimbursement of approved expenses incurred by Financial Representatives or GWN employees for attendance at educational meetings held by the Compensating Sponsor at pre-approved locations, or reimbursement of general mailings, client or prospective client appreciation meetings or seminars where the Compensating Sponsor has agreed to contribute toward the expense;
- Persistency bonuses received from Product Sponsors for maintaining in force business.

OTHER POTENTIAL CONFLICTS OF INTEREST

Differential Compensation.

Commissions received by GWN on transactions vary, generally ranging from 1.0 % to 6.0% % of amount invested, and advisory fees generally range from .60 – 2.0% of the assets under management. With respect to commissions and advisory fees received, GWN pays each Financial Representative an assigned payout rate that has been determined based upon the branch office that the Financial Representative is assigned to, his/her total level of production, and the type of product being sold. GWN does not offer differential commission payouts based upon the specific product or the Sponsor of the Product.

Retirement Plan Custodial Services.

GWN also receives compensation as administrative agent for the custodian of GWN sponsored custodial retirement programs (403(b) plans, 457 plans, and IRA and, therefore, may have an incentive to encourage GWN's Financial Representatives to utilize its retirement plan custodial service.