



Reasonable-Basis Suitability Assessment Report

Initial Assessment Amendment

Name of the Security or Investment Strategy:

This Report is prepared for and by (Registered Representative's Name)

FINRA Rule 2111.05(a): The reasonable-basis obligation requires a member or associated person to have a reasonable basis to believe, based on reasonable diligence, that the recommendation is suitable for at least some investors.

Colorado Financial Service Corporation (the "Home Office") does not conduct any security or investment strategy related due diligence for the purpose of complying with Rule 2111 unless offering the security or investment strategy requires a selling agreement with the product provider or sponsor.

Pursuant to the above mentioned rule (Rule 2111), Registered Representative must conduct due diligence on certain securities and investment strategies they recommend to their customers to ensure that no securities product is recommended to the customer before it has been thoroughly assessed with the reasonable basis suitability.

I. Securities Types and Investment Strategy

- Open-End Mutual Fund Closed-End Fund Exchange Traded Funds Municipal Bond
Corporate Bond Brokered CD UITs Variable Annuity
REIT Stock Option Warrant
Other
Investment Strategy (describe the strategy below)

Empty text box for describing investment strategy

II. Suitability Assessment Questionnaires

1. What is the security's general investment objective? (In other words, who is suitable for this security or investment strategy?)

Empty text box for investment objective

2. How does this security or investment strategy add to or improve client accounts?

Empty text box for client account impact

3. What market, performance factors, or assumptions determine the return of the investment?

Empty text box for market/performance factors

4. What are the risks for customers?

Empty text box for customer risks

5. How will you be compensated for recommending this security or investment strategy?

6. What risks must be disclosed, and how will that disclosure be made to the customer?

7. How liquid is the investment? (In other words, is there a secondary market for the security?)

8. List all documents reviewed for making the reasonable-basis assessment of the security or investment strategy. Also attach the documents with this report.

**III. Suitability Assessment**

1. It will be recommended to the customers whose investment objectives are (check all that apply):

- Income     Preservation of Capital     Aggressive Income     Growth / Capital Appreciation     Speculation
- Other: \_\_\_\_\_

2. It will be recommended to the customers whose risk tolerance is (check all that apply):

- Conservative     Moderate     Aggressive     Day Trading
- Other: \_\_\_\_\_

3. The total investment amount in this investment or strategy will not exceed \_\_\_\_\_% of the client's:

- Income     Net Worth     Liquid Net Worth     Total Investment Assets

4. Other

With my signature below, I certify that I have neither prepared any Research Report as defined in NASD Rule 2711<sup>1</sup> nor distributed this document to any customers or prospective customers.

Report Completed By	Signature	Date
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OSJ Supervisor's Name	OSJ Supervisor's Signature	Date
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<sup>i</sup> NASD Rule 2711(9) "Research Report" means any written (including electronic) communication that includes an analysis of equity securities of individual companies or industries, and that provides information reasonably sufficient upon which to base an investment decision. This term does not include:

(A) communications that are limited to the following:

- (i) discussions of broad-based indices;
- (ii) commentaries on economic, political or market conditions;
- (iii) technical analyses concerning the demand and supply for a sector, index or industry based on trading volume and price;
- (iv) statistical summaries of multiple companies' financial data, including listings of current ratings;
- (v) recommendations regarding increasing or decreasing holdings in particular industries or sectors; or
- (vi) notices of ratings or price target changes, provided that the member simultaneously directs the readers of the notice to the most recent research report on the subject company that includes all current applicable disclosures required by this rule and that such research report does not contain materially misleading disclosure, including disclosures that are outdated or no longer applicable;

(B) the following communications, even if they include an analysis of an individual equity security and information reasonably sufficient upon which to base an investment decision:

- (i) any communication distributed to fewer than 15 persons;
- (ii) periodic reports or other communications prepared for investment company shareholders or discretionary investment account clients that discuss individual securities in the context of a fund's or account's past performance or the basis for previously made discretionary investment decisions; or
- (iii) internal communications that are not given to current or prospective customers; and

(C) communications that constitute statutory prospectuses that are filed as part of the registration statement.