

*your*  
**annuity&life**  
*retirement designers*

---

---

## LICENSING REQUIREMENTS

---

---

Please include the following requirements and Fax to **888.207.9489**  
Or E-Mail to **contracting@retiredesign.com**

### **Contracting Requirements**

---

- Completed Contracting Packet
- Copies of all Resident and Non-Resident Licenses
- Current E&O Coverage Declaration Page
- Voided Check for EFT
- If you answered “yes” to any question re: special circumstances, please include an Explanation Document.

### **Training Requirements**

---

- If you are submitting new business with contracting, please provide a copy of the client application. Also please ensure you have completed the Carrier Product Training PRIOR to dating any new business.
- If applicable, provide a copy of your NAIC state required suitability training completion certificate.
- Please complete your AML Training via the LIMRA site.

<https://aml.limra.com>

**Username:** First four letters of last name and last six of the social - all lowercase

**Password:** First time users will use the last name (lowercase)

**Licensing Questions please call:**

**800.931.0138**

www.RetireDesign.com



## Colorado Bankers Life Insurance Company

2327 Englert Dr., Durham, NC 27713

Phone 800.367.7814 x2507 / Fax 303.267.7596

CBLife.com

### Contracting Checklist

Before we can process your contracting request, please complete the following checklist and return it with all the required forms. The purpose of this checklist is to assist you with each step that must be completed for your agent appointment.

#### Required Forms

- A signed and completed Commission Coding Form (*Completed by Upline*)
- A signed and completed Appointment Questionnaire
- A signed and completed Agency Agreement
- A signed and completed Authorization Agreement for Direct Deposit
- A signed Consumer Authorization form
- A signed and completed Code of Ethics
- A signed and completed W9 (*Required if receiving commissions directly from CBL*)

#### Required Attachments

- A copy of your current insurance license(s)
- A copy of current E&O Certificate of Coverage
- Anti - Money Laundering Course certificate.

Note: If you completed the course through LIMRA, we can verify the completion date. For any other provider, please send a copy of the Course completion certificate (dated within the past two years). **IF YOU HAVE NOT COMPLETED AN AML CERTIFICATION, YOU MUST COMPLETE THE COURSE PRIOR TO SUBMITTING YOUR FIRST PIECE OF BUSINESS.** CBLife will provide the opportunity to complete the required AML training during product specific training.

- A voided check for direct deposit
- Written explanation regarding any "YES" answers in the Appointment Questionnaire

**Thank you for your cooperation. We look forward to earning your business!**

For Contracting help, please call Licensing and Contracting at 1.800.367.7814 x2507



# Colorado Bankers Life Insurance Company

2327 Englert Dr., Durham, NC 27713

Phone 800.367.7814 x2507 / Fax 303.267.7596

CBLife.com

## Appointment Questionnaire

Background Information (Required)			
Agency Name (if applicable)		Agent's name	
		Date of Birth	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation		<input type="checkbox"/> CLU <input type="checkbox"/> ChFC <input type="checkbox"/> CFP <input type="checkbox"/> LUTCF <input type="checkbox"/> RHU <input type="checkbox"/> FLMI <input type="checkbox"/> Other:	
Home Address		City	State   Zip
Business Address		City	State   Zip
Home Phone	Work Phone	Cell Phone	Fax Number
E-mail Address		Send all mail to: <input type="checkbox"/> Business <input type="checkbox"/> Home	Best time to call: <input type="checkbox"/> A.M. <input type="checkbox"/> P.M.
Agency Taxpayer Identification Number		Agent Social Security Number	
Licensing Questions (Required) Please attach an explanation for each "Yes" answer below.			
1	Have you ever been charged or convicted of or plead guilty or no contest to any Felony, Misdemeanor, federal/state insurance and/or securities or investment regulations and statutes? Have you ever been on probation?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
2	Have you ever been or are you currently being investigated, have any pending indictments, lawsuits, or have you ever been in a lawsuit with an insurance company?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
3	Have you ever had a claim filed against your professional liability or errors and omissions insurance coverage?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
4	Have you ever been refused bond by a surety company?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
5	Has any insurance company within the past 10 years canceled any contract with you for any reason other than the nonproduction of business or at your request?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
6	Has any commissioner or any Department of Insurance or any stock exchange suspended, canceled, or revoked any license issued to you, fined you or ever refused to issue or renew any such license for any reason whatsoever?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
7	Do you have any judgements, tax liens, bad debts, or collections items of any kind against you?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
8	Have you ever been known personally by any other name, or have you ever conducted business or carried bank accounts in any other name than shown in the "Background Information" section on this application.	<input type="checkbox"/> YES <input type="checkbox"/> NO	
9	Have you ever had any complaints, including but not limited to complaints with an Insurance Department or Insurance company filed against you?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
10	Have you personally or any insurance or securities brokerage firm with whom you have been associated filed a bankruptcy petition or declared bankruptcy?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
11	Are you connected in any way with a bank, savings & loan association, or other lending or financial institution?	<input type="checkbox"/> YES <input type="checkbox"/> NO	



# Colorado Bankers Life Insurance Company

2327 Englert Dr., Durham, NC 27713

Phone 800.367.7814 x2507 / Fax 303.267.7596

[CBLife.com](http://CBLife.com)

## General Information (Required)

Have you ever been appointed with Colorado Bankers Life Insurance Company or our affiliate Bankers Life Insurance Company (St. Petersburg, FL)?  YES  NO

If Colorado Bankers Life, when? \_\_\_\_\_

Agent Number: \_\_\_\_\_

If Bankers Life Insurance Company, when? \_\_\_\_\_

Agent Number: \_\_\_\_\_

Do you currently have Errors & Omissions (E&O) coverage?  YES  NO

Please attach current certificate of coverage.

Note: E&O certificate must list your full name as the insured. If individual name is not listed, please provide a letter from the E&O carrier listing agents covered under agency policy.

AML Provider:  LIMRA  NONE  OTHER

Date Completed: \_\_\_\_\_

Please attach certificate of completion.

Are you a Registered Rep with FINRA?  YES  NO

If yes, Broker/Dealer Name: \_\_\_\_\_

CRD Number: \_\_\_\_\_



# Colorado Bankers Life Insurance Company

2327 Englert Dr., Durham, NC 27713

Phone 800.367.7814 x2507 / Fax 303.267.7596

[CBLife.com](http://CBLife.com)

## Agent's Declaration and Authorization (Required)

- (1) I hereby certify that my answers to the previous questions are true. I agree that as your representative, I shall be fully responsible for all monies collected by me, either in part or full payment of premiums, evidenced by my signature on receipts issued by me to applicants. My failure to do so will immediately terminate my association with you and upon demand by the Preferred Financial Corporation ("PFC") and/or Colorado Banker's Life Insurance Company ("CBL"), I shall return all unused applications, receipt and any and all material held by me.
- (2) I authorize the individual(s) or companies shown in my application or PFC or CBL to give any information regarding my employment together with any information they have whether or not in their records, and release said individuals or PFC or CBL from all liabilities for any damage whatsoever for issuing this information.
- (3) This application and the information in it is, to the best of my knowledge, an accurate statement of fact. I hereby authorize PFC or CBL to conduct an investigation concerning my character, general reputation and personal traits and release any person and companies so contacted from any liability with respect to the content of verbal or written information given to PFC or CBL. I further understand that if any material information given in this application is found to be incorrect or incomplete, it will be grounds for my termination at the sole discretion of PFC and/or CBL.
- (4) I further authorize CBL to use the information it has on file to process and appoint my, or my agency's license with any future affiliated insurance carriers of Colorado Bankers Life Insurance Company.
- (5) The Department of Treasury's final rule for Anti-Money Laundering Programs for Insurance Companies requires that the company integrate their producers and/or brokers into an anti-money laundering program and to provide training. As a producer or broker appointed with CBL, I understand that I am required to complete and approved AML training course available online through LIMRA.

Signature: \_\_\_\_\_  
*Agent or Principal of Corporation*

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_  
*Agent or Principal of Corporation*



**Colorado Bankers Life Insurance Company**

2327 Englert Dr., Durham, NC 27713

Phone 800.367.7814 x2507 / Fax 303.267.7596 (Licensing & Contracting)

Phone 800.367.7814 x2503 (Commissions)

[CBLife.com](http://CBLife.com)

**Agency / Agent Authorization Agreement for Direct Deposit (EFT Credits)\***

Agency / Agent Name: \_\_\_\_\_

Agency / Agent FEIN/SSN\*\*: \_\_\_\_\_

Agency / Agent email address: \_\_\_\_\_

I (we) hereby authorize Preferred Financial Corporation LLC, through JPMorgan Chase Bank, N.A. (CO), to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries made in error to my (our) Checking/Savings account indicated on this form. This authority is to remain in full force and effect until Colorado Bankers Life Insurance Company has received written notification from me (us) of its termination in such manner as to afford Colorado Bankers Life Insurance Company and named bank a reasonable opportunity to satisfy such request. I (we) also authorize my (our) depository named below, to debit and/or credit the same to such account.

Agency / Agent Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name(s) on account: \_\_\_\_\_  
(Please print)

Authorized account signature: \_\_\_\_\_

**Bank/Credit Union Information: (Please attach a voided check or savings account slip)**

Account Type:       Checking       Savings

Bank Name: \_\_\_\_\_

Transit/ABA number: \_\_\_\_\_

Account number: \_\_\_\_\_

Please allow 15 days for processing of any changes to all bank account information. All requests for changes must be submitted in writing and signed by the licensed agent.

\* Debit entries are initiated through the Authorization Agreement for Direct Payments (EFT Debits), Form-PAC.

\*\* Commission earnings will be reported to the IRS under the FEIN or SSN of the license holder (as allowed under State licensing regulations).

**Home office use only**

Account #: \_\_\_\_\_ Agency: \_\_\_\_\_

# CODE OF ETHICS

of  
Colorado Bankers Life Insurance Company ("CBL") and Preferred Financial Corporation ("PFC")

Please review the following statements and indicate your response in the appropriate box.

- | YES | NO                       |   |
|-----|--------------------------|---|
| 1.  | <input type="checkbox"/> | <input type="checkbox"/> I will fully comply with all laws and regulations of PFC or CBL regarding the solicitation and sale of any PFC or CBL Product or service.  |
| 2.  | <input type="checkbox"/> | <input type="checkbox"/> I will make every effort to ascertain and understand the needs and financial circumstances of my clients, and I will only take applications for PFC or CBL products from applicants after I have determined the product applied for is suitable for, and satisfies the needs of, the applicants; and I will make every effort to render the same quality of service to my clients which in the same circumstances, I would expect myself.  |
| 3.  | <input type="checkbox"/> | <input type="checkbox"/> I will not negotiate or deposit any funds payable to PFC or CBL or any payee other than myself or my immediate family.   |
| 4.  | <input type="checkbox"/> | <input type="checkbox"/> I will not place PFC or CBL under any legal obligation that is not within the scope of my authority.   |
| 5.  | <input type="checkbox"/> | <input type="checkbox"/> I will not accept risks of any kind, make, modify or discharge contracts, extend the time for paying the premium, waive forfeitures or any of PFC's or CBL's rights or requirements, bind PFC or CBL by any statement, promise or representation; agree with any applicant to any extra premium for extra risks, or collect any monies other than as permitted of you.   |
| 6.  | <input type="checkbox"/> | <input type="checkbox"/> I will continue to use only sales material approved by PFC or CBL in writing and will include all appropriate disclaimers; and I will obtain prior written approval from PFC or CBL before using, disseminating or publishing any advertising or publicity releases, presentation, public posting or other communications, including, without limitation, television, radio, print, media, internet, computer or electronic demonstrations or illustrations, referencing, describing, or involving either PFC or CBL or their officers', affiliates', parent's name or products or services.               |
| 7.  | <input type="checkbox"/> | <input type="checkbox"/> I will ensure that all signatures on applications or other documents submitted by me are authentic.  |
| 8.  | <input type="checkbox"/> | <input type="checkbox"/> I will either be responsible for the personal delivery of all policies and contracts to the respective owner in an expedient manner or I will instruct in writing upon submission of new business that Colorado Bankers Life mail these items directly to the owner.   |
| 9.  | <input type="checkbox"/> | <input type="checkbox"/> I will not be the assignee, owner or beneficiary of any policy issued by PFC or CBL, other than a policy on me or on a member of my family. An exception may be authorized, in writing by a Senior Officer of PFC or CBL, only where I have a sufficient investment in a business enterprise to justify key person insurance in an amount reasonably related to the investment. Unless and until the exception is granted, no such coverage may be placed in force and no cash may be collected with respect to such an application for a new policy and no change may be effected for an in-force policy. |
| 10. | <input type="checkbox"/> | <input type="checkbox"/> I will not pay commissions to or contract with any sub agents or entities for the solicitation of insurance that are not duly licensed and appointed with PFC or CBL, as required by law.  |
| 11. | <input type="checkbox"/> | <input type="checkbox"/> I will not be involved in any way in the speculation for profit concerning the early death or disability of the insureds of PFC or CBL.  |
| 12. | <input type="checkbox"/> | <input type="checkbox"/> I will not represent PFC or CBL in any manner whatsoever before any State Insurance Department or official thereof, or any Governmental Agency without the prior knowledge and approval of PFC or CBL.   |
| 13. | <input type="checkbox"/> | <input type="checkbox"/> I will not affix unapproved stamps or labels on policies, policy envelopes or literature of PFC or CBL in such a way as to obscure, obliterate or modify in any way the printed matter thereon.  |
| 14. | <input type="checkbox"/> | <input type="checkbox"/> I will not charge for enrollment or consulting services which are undertaken or rendered to any applicant, policy owner, or beneficiary or assignee such as explaining the terms of a policy, collecting the policy proceeds, making or submitting proofs or settlement of any claim, or any other similar service, unless first approved by PFC or CBL in writing.  |

Explanation of "NO" answers

I have carefully read the above statements and represent that my responses are correct and true to the best of my knowledge and belief. In addition, I have reviewed the Prohibited Acts provided in the CBLife Contracting Package and I state and Agree that I am and will remain in full compliance with those.

X

DATE

(print name)

AGENT OR PRINCIPAL SIGNATURE

# CONSUMER AUTHORIZATION

I. I understand that an investigative report may be generated on me that may include information as to my character, general reputation, personal characteristics, or mode of living; work habits, performance or experience, along with reasons for termination of past employment/professional license or credentials; financial/credit history; or criminal/civil/driving record history. I understand that General Information Services, Inc. (GIS), on behalf of Preferred Financial Corporation/Colorado Bankers Life Insurance Company may be requesting information from public and private sources about any of the information noted earlier in this paragraph in connection with Colorado Bankers Life Insurance Company's consideration of me for employment, promotion or position re-assignment or contract now, or at any time during my tenure with Colorado Bankers Life, and give my full consent for this information to be obtained.

II. IF APPLICABLE, medical and worker's compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws.

III. According to the **Fair Credit Reporting Act** (FCRA, Public Law 91-508, Title VI), I am entitled to know if the considerations for which I am applying are denied because of information obtained from a consumer reporting agency. If so, I will be notified and be given the name of the agency providing that report.

IV. I acknowledge that a telephonic facsimile (FAX) or photographic copy of this release shall be as valid as the original. This release is valid for most federal, state and county agencies.

V. I understand that if I am a resident of **Minnesota/Oklahoma (only)** I may obtain a copy of the report ordered, and now indicate my desire to do so by checking this box .

VI. I hereby authorize, without reservation, any financial institution, law enforcement agency, information service bureau, school, employer or insurance company contacted by GIS to furnish the information described in Section I.

VII. Upon proper identification, you have the right to make a request to GIS, within a reasonable period of time, as to the nature and substance of all information in its files on you at the time of your request, including the sources of information and the recipients of any reports on you that GIS has previously furnished. Communications with GIS should be directed to PO Box 353, Chapin SC 29036 or (866) 265-4917.

## CANDIDATE COMPLETE THE FOLLOWING:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Today's Date

\_\_\_\_\_  
Please print full name

The following information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. It is confidential and will not be used for any other purposes.

\_\_\_\_\_  
Month, Day and Year of Birth

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Home Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Driver's License Number and State

\_\_\_\_\_  
Name as it appears on License

Have you ever been convicted of a crime?  No  Yes If yes, please provide city and state of conviction and details of conviction.

### FAIR CREDIT REPORTING ACT NOTICE:

In accordance with the Fair Credit Reporting Act (FCRA, Public Law 91-508, Title VI), this information may only be used to verify a statement(s) made by an individual in connection with legitimate business needs. The depth of information available varies from state to state. Status of updates are available on request. Although every effort has been made to assure accuracy, General Information Services, Inc. cannot act as guarantor of information accuracy or completeness. Final verification of an individual's identity and proper use of report contents are the user's responsibility. General Information Services, Inc.'s policy requires purchasers of these reports to have signed a Service Agreement. This assures General Information Services, Inc. that users are familiar with and will abide by their obligations, as stated in the FCRA, to the individuals named in these reports. If information contained in this report is responsible for the suspension or termination of an employee or the application process, have the Candidate/employee contact General Information Services, Inc.

### NOTICE TO CALIFORNIA CANDIDATES

You have a right to obtain a copy of any consumer report or investigative consumer report obtained by Colorado Bankers Life by checking the box provided below. The report will be provided to you within three (3) business days after we receive the requested reports related to the matter investigated.

I request to receive a free copy of this report by checking this box.

Under section 1786.22 of the California Civil Code, you may view the file maintained on you by GIS during normal business hours. You may also obtain a copy of this file upon submitting proper identification and paying the costs of duplication services, by appearing at GIS in person or by mail. You may also receive a summary of the file by telephone. The agency is required to have personnel available to explain your file to you and the agency must explain to you any coded information appearing in your file. If you appear in person, a person of your choice may accompany you, provided that this person furnishes proper identification.



## PRODUCER AGREEMENT

**THIS AGREEMENT** ("Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Preferred Financial Corporation, Inc., ("Company") and \_\_\_\_\_ (hereinafter referred to as the "Producer").

### BACKGROUND

Company, and certain of its insurance affiliates (the "Insurance Affiliates"), develop and issue certain annuity and life insurance products (the "Insurance Products").

Producer is a licensed insurance agency and/or agent in those states in which it markets and services annuity and life products.

Company desires to appoint Producer to market and distribute the Insurance Products and recruit and recommend other producers to Company and its Insurance Affiliates, and Producer desires to act as an agent of Company and its Insurance Affiliates, and perform the services described in this Agreement, all upon the terms and subject to the conditions set forth below.

Producer has executed an appointment application (the "Appointment Application") requesting appointment with one or more Insurance Affiliates.

The Appointment Application designates one of the Insurance Affiliates as the primary appointing company (the "Primary Insurer").

**NOW THEREFORE**, in consideration of the foregoing background and the mutual promises and undertakings set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

#### 1. **AUTHORITY**

##### 1.1. **Appointment.** Company hereby:

(a) authorizes Producer, on a non-exclusive basis, and provided that Producer is properly licensed under Applicable Law (as defined below) and appointed under existing Company guidelines, to solicit applications for Insurance Products on behalf of Company using forms, rates and guidelines provided by Company.

(b) authorizes Producer to collect the initial contract payment or modal Premium (as defined below) necessary to place in force or to reinstate a policy in the form of a check payable to Company, or another form of payment agreed to by Company, in each case in conformity with Applicable Law; and

(c) authorizes Producer to service the contract holder or policy owner.

**1.2. Limitation of Authority.** Except as expressly set forth in this Agreement, Producer shall have no authority with respect to Company, any Insurance Affiliate or any Insurance Product. Without limiting the foregoing, Producer shall not:

(a) make, waive, or change any questions, statements, or answers on any application for an Insurance Product, the terms of any receipt given thereon, or the terms of any Insurance Product;

(b) extend or waive any provision of any policy or contract or the rate of or time for contract payments or payment of Premiums;

- (c) deliver any policy unless the health of the insured(s) is substantially unchanged from the date of the application;
- (d) incur any debts or liability for or against Company;
- (e) receive or accept any money for Company except Premiums as authorized in Section 1.1(b) above;
- (f) misrepresent, or fail to disclose accurately, the terms or nature of Company's contracts and policies;
- (g) pay any Premiums on contracts or policies other than Producer's own, Producer's immediate family members, or for which Producer is a fiduciary;
- (h) solicit business in a state where the contract or policy is not approved for sale;
- (i) represent future policy performance except through the use of authorized projections or illustrations provided by Company or an Insurance Affiliate;
- (j) violate any published Company policy or Company Instructions (as defined below), including with respect to viatical sales, and/or stranger-originated or terminally-ill owner or annuitant life policy or annuity contract sales; or
- (k) violate Applicable Law.

**1.3. Expectations for Producers.** Company expects the sales activities of Producer to result in the high quality placement of Insurance Products with customers, with excellent persistency from Producer. Producers are expected and hereby required to market and offer the Insurance Products in a professional and ethical manner, observing high standards of commercial honor and just and equitable principles of trade, to provide customers with an assessment in good faith of the need for Insurance Products, and to provide service to contract holders and/or policy owners in a timely and professional manner.

#### **1.4. Recruiting**

(a) Producer may recommend to Company duly licensed agencies or agents to solicit Insurance Products (collectively "Sub-Producers"), subject to the requirements of Company. No Sub-Producer shall be authorized to solicit Insurance Products unless duly appointed by Company. Company, in its sole discretion, may refuse to appoint any Sub-Producer recommended pursuant to this Section.

(b) At Company's discretion, each Sub-Producer recommended to and acceptable to Company shall enter into a written agreement directly with Company (a "Producer Agreement") in form and content acceptable to Company.

(c) Compensation payable to Sub-Producers who have entered into a Producer Agreement with Company shall be limited to and paid consistent with the commission schedules included as part of such Producer Agreement. Producer shall be responsible for the compensation payable to any Sub-Producer who is not required by Company to enter a Producer Agreement, subject to the terms of this Agreement. Producer shall also be responsible for the repayment of any previously paid commissions to Sub-Producer in accordance with Section 4.10 if Sub-Producer fails to repay such commissions to Company.

(d) Company may terminate the appointment or Producer Agreement with any Sub-Producer at any time and for any reason.

**1.5. Sub-Producers.** Producer shall ensure that each Sub-Producer is duly licensed and appointed at all times to offer, market, sell, distribute, and service the Insurance Products as required by Applicable Law, this Agreement, and its Producer Agreement, as applicable.

**1.6. Background Investigations; Reporting Violations.** Producer will investigate all Sub-Producers and sales representatives relative to their business reputation and competency to sell Insurance Products. Producer shall promptly notify Company in writing if Producer obtains knowledge that any Sub-Producer has failed to comply with (i) Applicable Law; or (ii) any Company Instructions.

**1.7. Company Independence.** Each Insurance Affiliate's life and annuity products are separately underwritten and are the sole obligation of the issuing Insurance Affiliate.

**1.8. Relationship with Company.** Producer and any Sub-Producer shall each be deemed an independent contractor of Company for all purposes and shall not have the right to hold themselves out as employees, partners or joint venturers of Company or any Company Affiliate (as defined below). Within the scope of the authority conferred hereby, Producer shall exercise its independent judgment as to time, place, and manner in performing its duties and responsibilities hereunder. This Agreement shall not be construed to create the relationship of employer and employee between Company, on the one hand, and Producer or any Sub-Producer, or any of their respective officers, directors, employees, agents or representatives, on the other.

**1.9. Instructions.** Producer agrees to abide by the terms and conditions of this Agreement. In performing its obligations under this Agreement, Producer shall comply with all rules, practices, instructions, regulations, procedures, and guidelines, as may be established and amended by Company from time to time and of which Producer has received notice (collectively, the "Company Instructions"). Company will provide notice to Producer of Instructions and any changes thereto by the same method Company communicates with its field force and not in accordance with the notice provisions set forth in this Agreement.

**1.10. Territory.** This Agreement does not confer any exclusive right or territory upon Producer.

## **2. PRODUCER RESPONSIBILITIES**

Producer represents, warrants, and covenants as follows:

**2.1. Legal Compliance and Licensing.** Producer shall at all times (i) hold, maintain, and keep in good standing all licenses, registrations, and appointments necessary to perform its duties hereunder, and (ii) fully comply with Applicable Law.

**2.2. Delivery of Insurance Products.** Producer shall promptly deliver Insurance Products when the conditions governing such delivery have been met.

**2.3. Investigations; Customer Complaints.** Producer agrees to cooperate fully in any insurance or other regulatory or judicial investigation or proceeding arising in connection with the Insurance Products, Company, Producer, or any Sub-Producer recruited by Producer under this Agreement. Producer shall permit appropriate federal and state insurance and other regulatory authorities to audit Producer's records and shall furnish the foregoing authorities with any information which such authorities may request in order to ascertain whether Producer or any Sub-Producer recruited by Producer under this Agreement is complying with all Applicable Law. Producer hereby agrees to and shall (a) promptly notify and report to Company all customer complaints and regulatory inquiries ("Complaints") with respect to the Insurance Products, and/or Company and/or Producer related to the offer, sale or servicing of Insurance Products (b) fully cooperate with Company in resolving all such Complaints, and (c) provide all records and information related to such Complaints to Company upon request. This provision shall survive any termination of this Agreement.

**2.4. Use of Marks; Advertising Materials.** Producer shall not use, and shall cause its Sub-Producers to not use, Company's or any Company Affiliate's names, trademarks, service marks or logos (collectively, "Marks") in any way or manner unless authorized in writing by Company or the applicable Insurance Affiliate prior to use. All advertising material, including but not limited to internet websites and sales promotional material published by Producer or any Sub-Producer, that specifically name Company or any Company Affiliate or reference the Insurance Products shall be submitted to Company for its approval prior to its use by Producer. If required, Producer shall be responsible for filing such material with the appropriate regulatory or governmental authority. Producer shall not and shall cause its Sub-Producers not to orally communicate any information or make any representations other than such information and representations contained in the Insurance Products or written materials approved by Company.

**2.5. Quotes.** Producer shall provide accurate quotations on Premiums and interest rates for the Insurance Products.

**2.6. Applications.** Producer shall submit, or cause Sub-Producers to submit, all applications received in connection with the Insurance Products to Company via the GBIG eApp Portal, regardless of the results of any medical examination. Company, in its sole discretion, may reject or require the amendment of any application for insurance or annuity contract.

**2.7. Suitability.** Producer agrees to ensure it acts in accordance with the suitability standards of life and annuity products required pursuant to Applicable Law. Producer agrees to provide to Company all information related to suitability as required by Insurance Product applications, and processing instructions upon Company's request. Producer agrees to participate in, timely complete and provide evidence of completion upon request of all training and education required by Applicable Law and the Company Instructions, particularly training related to life and annuity suitability. At Company's periodic request, Producer agrees to certify to Company that it is complying with Applicable Law relating to suitability. Company shall be under no obligation to permit a Producer or Sub-Producer to offer or sell Insurance Products or to issue a particular Insurance Product unless and until Company's suitability and training requirements and Instructions have been satisfied.

Producer agrees to promptly notify Company in writing if any significant failures are discovered in the suitability of the sales of the Insurance Products sold under this Agreement. In the event a claim against Company is made with regard to the suitability of a sale of any of the Insurance Products sold under this Agreement, Producer will reasonably cooperate with Company and will provide written and other materials and information upon Company's request.

**2.8. Collection of Premiums.** Producer shall:

(a) transmit to Company, within two business days of receipt, applications for an Insurance Product and all premiums and other amounts ("Premiums") received by Producer for or on behalf of Company. All Premium payments shall be made payable to applicable Insurance Affiliate;

(b) transmit all Premiums to Company without offset or deduction; and

(c) ensure that its Sub-Producers remit the entire Premium to Company immediately upon receipt thereof, without offset or deduction, together with all applications and related information.

**2.9. Delivery of Insurance Products.** Producer shall deliver Insurance Products as required by Applicable Law. Notwithstanding the requirements of this Section, Producer shall not deliver an Insurance Product unless the first Premium has been fully paid.

**2.10. Maintenance of Insurance Products.** Producer shall use best efforts to maintain the in-force Insurance Products solicited by it or its Sub-Producers and shall render all reasonable assistance to the Company in connection therewith. Producer shall not attempt to persuade or entice any owner of an in-force Insurance Product to replace such Insurance Product with that of another insurance carrier.

**2.11. Insurance.** Producer shall at all times carry errors and omissions insurance in form and amount acceptable to Company, and shall furnish proof of such coverage upon request by Company.

**2.12. Expenses.** Producer shall be solely liable for all costs and expenses relating to or arising from performance of its obligations under this Agreement.

**2.13. Security Codes.** Producer shall be responsible for the confidentiality of any access number(s), password(s) and account number(s) (collectively referred to as "Security Codes") provided to Producer by Company. Producer shall be liable for all transactions entered through the use of Producer's Security Codes. All transactions received by Company through the use of Producer's Security Codes will be deemed to have been executed by Producer. Producer shall immediately notify Company in writing upon becoming aware of any unauthorized use, loss or theft of Producer's Security Codes.

**2.14. Training and Supervision of Sub-Producers.** Producer shall have full responsibility for the acts, omissions, training, and supervision of Sub-Producers that offer, sell, and/or service the Insurance Products. If a Sub-Producer fails or refuses to submit to the supervision of Producer with respect to the sale of the Insurance Products, or otherwise fails to meet the rules and standards imposed by Producer, Producer shall immediately notify such Sub-Producer that he, she or it is no longer authorized to sell the Insurance Products, and Producer shall take whatever additional action may be necessary to terminate the sales activities of such Sub-Producer relating to the Insurance Products, including immediate written notification to Company of such termination.

Producer shall exercise supervisory control over the training and conduct of its Sub- so as to ensure compliance with state insurance requirements with respect to fair, accurate, and good faith representations of Insurance Product information in the solicitation process, with due regard to the financial status of individual consumers and the appropriateness and/or suitability of the Product as an insurance policy or annuity contract, as applicable, for such individual consumers. If any Sub-Producer fails to adhere to the foregoing standards, Producer shall (i) immediately terminate such Sub-Producer's ability to sell the Insurance Products and (ii) immediately notify Company in writing of such termination.

**2.15. Call Recording.** For quality assurance and other business purposes, Company records and/or monitors inbound and outbound telephone calls between Producer and Company. Producer hereby consents to any and all call recording and monitoring performed by Company or its affiliates. Producer covenants that it will provide notice of this call recording practice to its employees, agents, or representatives who may be recorded or monitored in a call between Company and Producer. Producer acknowledges and accepts that calls with Company or its affiliates or their respective employees or associates may be recorded (with or without explicit disclosure at each instance), reviewed, and retained for quality, training, and supervisory purposes, and agrees to waive all rights or claims related to such call recording.

**2.16. Internet and Systems Access – Single Sign On.** Producer may establish a Single Sign On ("SSO") access for eligible Producer users in order to access all applicable Company sites and services as mutually determined by the parties.

In the event that Producer and Company agree to and do establish SSO access, Producer agrees to implement its own authentication, authorization, and identity management processes for users, based upon privacy laws and the concepts of least privileged and appropriate access. It is Producer's sole responsibility to manage the authentication, authorization, and identity management processes for all users.

Company will rely upon all transactions requested via the SSO functionality and will execute transactions as directed by users. Company assumes no liability whatsoever for management and use of Security Codes, (including passwords, tokens, or other authentication measures Producer may implement for this purpose) SSO access, or other actions taken by users. Additionally, Company assumes no liability for Security Codes as defined above which have been lost, stolen, or subject to unauthorized access or misuse.

The SSO is provided on an "as-is" basis. Company explicitly disclaims any and all warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

**2.17. No Rebating.** Producer shall not, and shall cause its Sub-Producers not to, whether or not permitted by Applicable Law, pay or allow any rebate of Premiums or commissions in any manner, directly or indirectly.

**2.18. The Violent Crime Control and Law Enforcement Act.** Producer shall ensure that neither Producer, nor any Producer's employees or Producer's representatives or Sub-Producers providing services according to the terms of this Agreement has been convicted of any felony involving dishonesty or breach of trust under Applicable Law. Producer agrees to defend and indemnify Company with respect to any action brought against Company to the extent that such action is based upon a claim that the engagement by Company of Producer or any such Producer, employee or Producer's representative or any Sub-Producer violated any state or federal proscription against such engagement, including but not limited to, The Violent Crime Control and Law Enforcement Act of 1994, as may be amended.

### **3. RECORDS AND REPORTING**

**3.1. Records.** Producer will maintain full, complete and accurate books, files, and records (collectively, the "Records") relating to the services provided under this Agreement. Company and its representatives shall have the right during regular business hours to examine, inspect and copy the Records. If any Records are maintained at the offices of a Sub-Producer or other third party, Producer shall ensure that Company and its representatives have access to such Records at the offices of such Sub-Producer or third party. Company and its representatives shall have access to appropriate employees and representatives of Producer in connection with Company's examination, inspection and copying of Records. The Records shall either (i) be maintained by Producer for a period of at least seven years following termination of this Agreement, or (ii) be delivered to Company for safe-keeping. Company's right to examine, inspect and copy as described in this Section 3.1 shall continue for the term of this Agreement and after termination of this Agreement for as long as Company or a Company Affiliate reasonably needs access to such records, for regulatory, tax or similar purposes.

**3.2. Cooperation.** Producer shall cooperate and use its best efforts to provide such other records and reports as Company may require in connection with this Agreement and the services contemplated hereunder.

### **4. COMPENSATION**

**4.1. Payment of Compensation.** In consideration for the services provided by Producer under this Agreement, Company agrees to pay Producer the compensation set forth on the commission delivered to you along with this Agreement or by your upline agent (the "Commission Schedule"); subject to compensation payable to a Sub-Producer as set forth on separate commission schedules included as part of their Producer Agreement in connection with the sale of the Insurance Products, as applicable.

Upon receipt of prior written notice from Producer and such other information as Company may require, Company shall pay on behalf of Producer the commissions due from Producer to each Sub-Producer. Notwithstanding anything to the contrary in this Agreement, no Sub-Producer shall have any claim against Company, and shall not be an intended or unintended third party beneficiary of this Agreement.

Notwithstanding any other provision of this Agreement, Company shall not be obligated to pay any compensation which would be in violation of Applicable Law.

**4.2. Payment Procedures.** Company shall pay compensation (a) in accordance with its usual and customary procedures, which the Company, in its sole discretion, may change from time to time, and (b) only on Premiums paid to Company. No Premium shall be considered paid until it has been actually received by Company.

Producer agrees to receive and accept all commission payments from Company via Automated Clearing House ("ACH") to the bank account specified on such ACH Form included in the Appointment Application.

**4.3. Changes in Commission Schedule; Unscheduled Commissions.** Company may, in its sole discretion (a) amend or modify the Commission Schedule except as to Insurance Products issued prior to the date of the change, and (b) determine commissions to be paid on products not provided for in the Commission Schedule.

**4.4. No Vesting; Trail Commissions.** Compensation is not vested. All trail commissions, if any, shall be paid by Company to Producer with respect to the Insurance Products where Producer is listed as the agent of record on or before the date of termination of this Agreement. In the event Company receives notification to transfer a contract or policy paying trail commissions to a new agent, all subsequent trail commissions as of the calendar quarter in which the transfer took place will be paid to the new agent of record. In the event a contract or policy paying trail commissions is surrendered, rescinded or otherwise canceled ("Terminated"), no trail commissions will be paid for the calendar quarter in which the contract or policy is terminated or thereafter. This Section 4.4 shall not be superseded by any right of offset or other remedy Company may have with respect to monies owed by Producer or by the new agent of record.

**4.5. Temporary Insurance.** Company shall not pay compensation in connection with any temporary insurance or binders.

**4.6. Premium Refunds.** If Company refunds Premium to a customer for any reason, Producer, or if applicable the Sub-Producer who received any compensation or other payment calculated in connection with the refunded Premium, shall (and Producer shall cause such Sub-Producer to) immediately repay to Company all such compensation or other payments.

**4.7. Reassignment.** Company may, in its sole discretion, remove Producer as the servicing Producer of a Product and reassign another agent to service such Product.

**4.8. Replacements.** Compensation arising in connection with any Product that replaces an existing policy, contract, or product issued by Company or its affiliates shall be subject to replacement rules of Company. In certain instances, Company will not pay compensation on replacements.

**4.9. Reinstatements.** If an Insurance Product written by Producer is terminated and subsequently reinstated solely as a result of the efforts of Producer, Producer shall continue to receive any renewal compensation from the date of reinstatement. If an Insurance Product is terminated and subsequently reinstated for any other reason, Company may determine, in its sole discretion, whether Producer is entitled to renewal compensation and the amount of such compensation.

**4.10. Cancellations, Recessions, and Chargebacks.** If an Insurance Product written by Producer is (i) subsequently cancelled or rescinded and the Premium paid thereon is returned to the applicant/policyholder or (ii) if Company has to charge back commissions in accordance with the Commission Schedule, Producer and any Sub-Producer will lose all right to Compensation on account of such Insurance Product, and will, upon demand of Company, pay Company the net Compensation amount previously received by Producer and such Sub-Producer, pursuant to the terms set forth in the Commission Schedule of this Agreement or the respective Producer Agreement.

**4.11. State Law Restrictions.** Notwithstanding any other provision of this Agreement, Company will not make any compensation payments in violation of Applicable Law, including, but not limited to, state licensing requirements. If applicable, no party may pay any compensation (including but not limited to any compensation or expense allowance), or may cause the payment of any compensation, that would be in violation of Section 4228 of the Insurance Law of the State of New York ("Section 4228"), and no party may receive any compensation in violation of Section 4228. Producer represents, warrants, and covenants that it has not received, and shall not receive, any benefits, compensation, or prizes or awards or taken any other action set forth in Section 4228(e)(11) that would require Company to monitor any payments Producer may make or has made to any person for compliance with Section 4228.

**4.12. Indebtedness.** Any indebtedness which is now or may hereafter become due from Producer to Company or any of its affiliates shall be a first lien on all compensation payable under this Agreement until such indebtedness is fully paid, without limitation to any other rights of Company or its affiliates both prior to and after termination of this Agreement to recover such indebtedness.

This provision shall not be construed in any way to limit the amount of any indebtedness of Producer to the value of the commissions payable under this Agreement. In addition to deductions from commissions, Company may take such other actions to recover or collect such indebtedness as it deems appropriate. To the extent Company takes legal action to recover such indebtedness, it may recover attorneys' fees, costs, and expenses from Producer.

**4.13. Right of Set-Off.** With respect to any compensation owed by Company to Producer, Company shall have a right to set off against and deduct from such compensation (i) any monies or indebtedness due and owed by Producer to Company, and (ii) any damages, costs, or expenses incurred by Company arising out of any breach of this Agreement by Producer.

## **5. AMENDMENT OR TERMINATION**

**5.1. Amendment.** Company may at any time and from time to time amend or modify this Agreement, including (i) the Compensation Schedule by giving Producer written notice of the change or modification; (ii) any contract or policy form; (iii) the minimum and maximum limits on the amount for which any contract or policy form may be issued; (iv) the conditions or terms under which any contract or policy forms may be sold; (v) the discontinuation or withdrawal of any contract or policy from any state, without prejudice to continue such form elsewhere; and (vi) ceasing to do business in any state. Any such amendment shall be effective and binding upon Producer and its Sub-Producers upon delivery to Producer of written notice of such amendment.

**5.2. Termination.** This is an at-will Agreement; this contract is not for a definite term or period of time.

(a) Without Cause. Any party to this Agreement may terminate the Agreement without cause upon 30 days' written notice to the other parties.

(b) For Cause. Company may terminate this Agreement for cause at any time, immediately and without prior written notice, if Producer:



- otherwise;
  - (i) fails to comply with Applicable Law relating to the sale of insurance or securities or
  - (ii) misappropriates or commingles any money or property belonging to Company or a contract holder or policy owner;
  - (iii) subjects Company to any actual or potential liability due to misfeasance, malfeasance, or nonfeasance;
  - (iv) commits any fraud upon Company or a contract holder or policy owner, or misrepresents contract or policy benefits, provisions or premiums, or misrepresents any information on a Company application or required form;
  - (v) fails to reimburse Company for monies owed; or
  - (vi) commits a material breach of this Agreement, Company Instructions or Company contract or policy provisions relating to Producer conduct.

In the event of termination of a Producer for cause, no commission, fees or other compensation accruing on or after the date of the violation or act giving rise to the termination for cause shall be paid to Producer.

- (c) Automatic Termination. This Agreement automatically terminates upon:
  - (i) Producer's death or inability to perform Producer's responsibilities under this Agreement;
  - (ii) failing to maintain in force specified amounts of a professional errors and omissions liability policy;
  - (iii) a determination by Company that Producer induced or attempted to induce Company contract holders and policy owners to relinquish or replace Company contracts and policies with such frequency as to indicate a pattern of inappropriate activity;
  - (iv) failure to maintain all state and federal licenses, registrations, and/or appointments as required by the regulating entity or jurisdiction;
  - (v) an assignment by Producer for the benefit of creditors;
  - (vi) Producer's filing of a voluntary petition in bankruptcy or for reorganization or Producer's adjudication as bankrupt or insolvent; or
  - (vii) Producer having a liquidator or trustee appointed over its affairs and such appointment not having been terminated and discharged within sixty (60) days of such appointment.
- (d) Producer Access upon Termination. Upon termination of this Agreement, Company may, at its sole discretion, terminate Producer's access to contract holders and policy owners, including any records related thereto.

**5.3. Use of Materials After Termination; Return of Materials.** Upon termination of this Agreement for any reason, Producer agrees not to use any such material for Producer's commercial purposes or for that of any other entity. Upon termination of this Agreement, Producer shall return, and shall cause all Sub-Producers to return, or all prospectuses, sales promotion materials, advertising, circulars and documents relating to the Insurance Products (including without limitation blank policy forms and applications).

**5.4. Indebtedness.** Termination will not dismiss or reduce any indebtedness Producer owes Company, its subsidiaries or affiliates.

**5.5. Company Property.** All Company supplied material, including but not limited to, manuals, forms, supplies, sales brochures, software, or lists of contract owners and policy holders or insured persons shall be and remain the property of Company and shall not be shared with, or made known to, any third party without the written consent of Company.

## **6. INDEMNIFICATION**

Producer agrees to indemnify and hold harmless Company and all Company Affiliates and their respective officers, directors, employees and representatives (collectively "Company Indemnified Parties") from any and all losses, claims, damages, liabilities or expenses (including any investigative, legal or other expenses incurred in connection with, and any amounts paid in settlement of, any actions suit or proceeding or any claim asserted) (each a "Company Indemnified Loss") to which Company Indemnified Parties may become subject under Applicable Law or otherwise, to the extent such Company Indemnified Loss relates to or arises out of:

(a) any misrepresentation or omission, or alleged misrepresentation or omission, made by Producer or any Sub-Producer involving Insurance Products, provided that such misrepresentations or omissions are not directly caused by Company;

(b) any failure by Producer, whether or not negligent or intentional, to perform the duties and discharge the obligations contemplated in this Agreement;

(c) any failure by Producer or any Sub-Producer, whether or not negligent or intentional, to adhere to the Company Instructions;

(d) any fraudulent, unauthorized or wrongful act or omission by Producer or any Sub-Producer;

(e) Misuse, modification and/or unauthorized use of the Marks by Producer or any Sub-Producer or any claims that the Marks or materials provided to Company by Producer pursuant to this Agreement constitute an infringement of title, copyright, trademark or other intellectual property rights of a third party, or piracy, plagiarism, or unfair competition or idea misappropriation under implied or express contract or any other cause of action in any way related to the Marks or materials provided to Company by Producer pursuant to this Agreement; and

(f) Any finding by any regulatory agency with jurisdiction over Company or any Insurance Affiliate that a sale of a contract or policy was unsuitable.

In the event a Company Indemnified Party is compelled or agrees to pay any amount in the settlement of any claim, judgment, arbitration or similar action pursuant to this Section, Producer shall reimburse Company. Company, in the alternative and in its sole discretion, may deduct the amount of such reimbursement obligation from any sales compensation subsequently payable to Producer.

Producer shall not be liable, as the indemnifying party pursuant to this Section, to the extent that the Company Indemnified Losses arise out of Company's willful misfeasance, bad faith, or gross negligence in the performance of its duties, or through the reckless disregard of its duties, under this Agreement.

Producer will promptly notify Company of the commencement of any litigation or proceedings, or the assertion of any claim or any material inquiries related to the duties set forth in the Agreement.

Producer shall have control of the defense of any such action, including appeals, and of all negotiations relating thereto, including the right to effect the settlement or compromise thereof; provided that Producer shall not settle or compromise or offer to settle or compromise any such Company Indemnified Loss without the prior written consent of the Company unless such settlement or compromise (i) includes a complete and unconditional release of the Company Indemnified Parties from all liability with respect thereto; (ii) provides solely for the payment of monetary damages that are concurrently paid in full by Producer; (iii) would not result in injunctive or other nonmonetary relief against any Company Indemnified Party, including the imposition of a consent order, injunction or decree that would restrict the future activity or conduct of such Company Indemnified Party; and (iv) would not result in a finding or admission of any violation of law or any violation of the rights of any person.

Nothing in this Section shall preclude Company from exercising any other rights and remedies that may be available to Company at law or in equity.

## **7. ANTI-MONEY LAUNDERING**

Producer shall comply with all applicable and effective anti-money laundering ("AML") laws, regulations, and rules including, but not limited to, the Bank Secrecy Act, its implementing regulations, and related rules promulgated by applicable regulators. Producer shall comply with Applicable Law as administered by the Office of Foreign Assets Control ("OFAC").

Producer shall report to Company, within twenty-four (24) hours, any unusual or suspicious activity or transaction involving customers and/or potential customers and involving the sale of Insurance Products. Notice shall be made to the AML Compliance Director at the mail address provided in the Notice Section of this Agreement and will be deemed given to Company when sent by e-mail with confirmation of transmission by the transmitting equipment. Producer shall ensure that any activity reported to Company remains confidential and that any report submitted to Company and/or any information related to such report is not disclosed to the customer(s) involved in such report or to any third party. Providing notice to Company of any suspicious activity shall not relieve Producer of any duty it may independently have to report suspicious activities.

If any investigation should arise under this Section involving the sale or solicitation of Insurance Products, Producer shall and shall cause its Sub-Producers to fully cooperate with Company in the investigation. Producer shall and shall cause its Sub-Producers to cooperate even if the investigation commences or continues after this Agreement is terminated. This Section 7 shall survive termination of this Agreement.

## **8. PRIVACY AND DATA SECURITY/CONFIDENTIALITY OF INFORMATION**

**8.1. Confidential Information.** For purposes of this Section, "Confidential Information" of a party means any data or information regarding proprietary information, information identified as confidential, Personal Information, or information that a reasonable business person would understand to be confidential.

Confidential Information does not include information that (i) was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of the receiving party or by violation of this agreement; (ii) was lawfully received by the receiving party from a third party free of any obligation of confidence of such third party; (iii) was already in the possession of the receiving party prior to the receipt thereof directly or indirectly from the disclosing party; (iv) is required to be disclosed pursuant to Applicable Law, regulatory or legal process, subpoena or court order, or (v) is subsequently and independently developed by employees, consultants or agents of the receiving party without reference to or use of the Confidential Information disclosed under this Agreement.

**8.2. Personal Information.** For purposes of this Section, "Personal Information" means any "non-public personal information" as defined in Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. Section 6801 et seq., and the rules and regulations promulgated thereunder.

Personal Information shall not include information that is not personally identifiable, "de-identified information". "De-identified information" may be used by Company and/or its service providers, either alone or in aggregate, for research, studies, and for other business purposes.

**8.3. Data Security/Confidentiality of Information.** Each party covenants to the other that it shall not disclose or use any Confidential Information of the other party that it may acquire in the performance of this Agreement for any purpose other than to fulfill its contractual obligations under this Agreement or as may be required by Applicable Law. Additionally, each party shall maintain the other party's Confidential Information with reasonable care, which shall not be less than the degree of care it would use for its own such information. Furthermore, each party agrees to comply with all applicable privacy laws, rules, regulations, and ordinances.

The parties acknowledge and agree that, in the course of performing services contemplated under this Agreement, each may receive or have access to Personal Information of their mutual customers. Both parties agree to comply with Applicable Law related to privacy and access to or use of Personal Information. Each party represents and warrants that it has implemented and maintains an effective information security program reasonably designed to protect Personal Information, which includes administrative, technical, and physical safeguards to (i) ensure the security and confidentiality of Personal Information, (ii) to protect against any anticipated hazards or threats to the security or integrity of such Personal Information, and (iii) to protect against any unauthorized access or use of Personal Information which could result in a substantial harm or inconvenience to the parties to this Agreement or their affiliates, or to their mutual customers. Furthermore, both parties agree that they shall: (x) keep and maintain all Confidential Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure; (y) use and disclose Confidential Information solely and exclusively for the purposes for which Confidential Information, or access to it, is provided pursuant to this Agreement, and (z) limit disclosure to those authorized parties who have a need to know Confidential Information for purposes of performing services under this Agreement.

Each party shall promptly answer inquiries about confidentiality and information security made by the other party's Chief Information Security Officer or employee with similar responsibilities and allow the other party access to such books and records as the other party may reasonably request to confirm compliance with privacy laws and regulations.

Producer acknowledges that data, including e-mail, electronic communications, and personal financial data, may be accessed by unauthorized third parties when communicated between Producer and Company. Producer hereby agrees to use software that supports a data security protocol compatible with the protocol used by Company. Company is not responsible for notifying Producer of any upgrades, fixes, or enhancements to any such software or for any compromise of data transmitted across computer networks or telecommunications facilities, including, but not limited to, the internet. In addition, Producer shall use a commercially available virus detection/scanning program updated with the then available latest virus definitions and signature following its routine testing procedures prior to any attempt to access Company's computing systems and/or networks. Without limiting the foregoing, Producer shall use commercially reasonable efforts to avoid the transmission of any virus from its own systems to Company's systems.

Within twenty-four (24) hours, Producer shall notify Company upon discovery of any unauthorized access related to Personal Information of its mutual customers ("Security Breach") that requires notification under applicable federal or state breach-notification laws and to reasonably cooperate with Company in the event thereof. The party responsible for the Security Breach shall be responsible, at its own expense, for any legal obligation and associated costs which may arise under Applicable Law in connection with the Security Breach and shall act in accordance with such Applicable Law. Producer represents and warrants that it has in place and shall monitor and maintain appropriate and effective policies, plans, and procedures that comply with Applicable Law concerning such a Security Breach or suspected unauthorized acquisition or use of Personal Information.

**8.4.** This Article 8 shall survive and continue in full force and effect notwithstanding the expiration, cancellation, or termination of the Agreement.

## 9. MISCELLANEOUS

**9.1. Assignment.** This Agreement shall be binding upon the parties and their respective successors and assigns. Producer may not assign or pledge any rights under this Agreement without the prior written consent of Company, and any purported assignment without Company's prior written consent shall be void.

**9.2. Entire Agreement.** This Agreement (including the Amendments, Exhibits, Addendums, and Compensation Schedules) constitutes the entire agreement among the parties and supersedes all prior agreements, understandings and arrangements, oral and written, among the parties with respect to the subject matter hereof. This Agreement, together with the Appointment Application and Commission Schedules for each Insurance Affiliate that appoints Producer, comprise Producer's contract with such Insurance Affiliate that appoints Producer. Execution of this Agreement by the Primary Insurer and Producer evidences their agreement to transact business in accordance with the terms and conditions set forth in this Agreement. If Producer requested appointment with one or more Insurance Affiliates of the Primary Insurer in the Appointment Application, or a subsequent amendment to that form, Producer's execution of this Agreement evidences Producer's agreement to transact business with each Insurance Affiliate in accordance with the terms and conditions set forth in this Agreement. Each Insurance Affiliate that appoints Producer and sends a commission schedule to Producer has agreed to transact business with Producer according to the terms of this Agreement.

**9.3. Notice.** Communications sent pursuant to provisions of this Agreement shall be in writing, shall be delivered personally or sent by U.S. mail, facsimile, or commercial courier and shall be deemed given upon mailing. However, any notice of change of address shall be deemed given only upon receipt by the party to be notified.

If to Company:

Preferred Financial Corporation, Inc.  
Attention: Lou Hensley  
2327 Englert Dr,  
Durham, NC 27713

with a copy to:

Global Bankers Insurance Group, LLC  
Attention: Tamre Edwards  
2327 Englert Dr  
Durham, NC 27713

or to such other address as Company may from time to time designate by written notice to Producer.

If to Producer: At the address set forth on the signature page hereto or to such other address as Producer may from time to time designate by written notice to Company

**9.4. Notice of Legal Proceedings.** Producer shall promptly transmit to the home office of Company, by certified mail, any paper or other documents served upon or delivered to Producer or any Sub-Producer or upon or to any of their respective directors, officers, employees, agents, or representatives in connection with any proceedings against or involving in any way Company or any of its affiliates or their respective directors, officers, employees, agents, or representatives.

**9.5. Waiver of Agreement.** The forbearance or neglect of Company to insist upon strict compliance by a party with any of the provisions of this Agreement, whether continuing or not, or to declare a forfeiture of termination against that party, shall not be construed as a waiver of any of the rights or privileges of the parties. No waiver of any right or privilege of Company arising from any default or failure of performance by a party shall affect the rights or privileges of the other parties in the event of a further default or failure of performance.

**9.6. Partnerships.** When Producer is a partnership or corporation, any reference made to Producer as an individual shall be deemed to mean the partners or the officers of the corporation who are licensed and appointed with Company.

**9.7. Prior Contracts.** This Agreement shall supersede any and all prior contract(s) between Producer and Company, however, any outstanding indebtedness shall survive.

**9.8. Service of Process.** Producer is not an authorized agent or representative of Company to accept service of legal process and Producer is not authorized and agrees not to accept such service. If, however, any paper is served upon Producer, Producer shall promptly transmit to the home office of Company, by certified mail within 24 hours after its receipt.

**9.9. Governing Law; Consent to Jurisdiction.** This Agreement shall be governed by the laws of the State of North Carolina. It shall be construed in accordance with North Carolina law applicable to contracts made and to be performed there. Each of the parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of any court of the United States or any state court, which in either case is located in the State of North Carolina (each, a "North Carolina Court") for purposes of enforcing this Agreement or determining any claim arising from or related to the transactions contemplated by this Agreement. In any such action, suit or other proceeding, each of the parties irrevocably and unconditionally waives and agrees not to assert by way of motion, as a defense or otherwise any claim that it is not subject to the jurisdiction of any such North Carolina Court, that such action, suit or other proceeding is not subject to the jurisdiction of any such North Carolina Court, that such action, suit or other proceeding is brought in an inconvenient forum or that the venue of such action, suit or other proceeding is improper. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**9.10. Further Assurances.** The parties agree to execute and deliver, or cause to be executed and delivered, such other instruments, documents and undertakings as may reasonably be necessary to assure compliance with the terms of this Agreement.

**9.11. Power and Authority.** Producer has full power and authority to enter into and perform this Agreement, and the person(s) signing this Agreement on behalf of Producer has been properly authorized, and empowered to do so. Each party acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms.

**9.12. Paragraph Headings.** The paragraph headings are for reference purposes only and shall not be deemed to be a part of this Agreement or to affect the meaning or interpretation of this Agreement.

**9.13. Equitable Remedies.** The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, without the necessity of posting bond or other undertaking, the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Agreement, this being in addition (subject to the terms of this Agreement) to any other remedy to which such party is entitled at law or in equity. In the event that any action is brought in equity to enforce the provisions of this Agreement, no party hereto shall allege, and each party hereto hereby waives any defense or counterclaim, that there is an adequate remedy at law.

**9.14. Counterparts.** This Agreement may be executed in two or more counterparts. All counterparts shall collectively constitute a single instrument. The parties may execute and exchange facsimile counterparts of the signature page, and these facsimile signatures shall be binding as original signatures.

**9.15. Construction of Agreement.** Neither of the parties hereto or their respective counsel shall be deemed to have drafted this Agreement for purposes of construing the terms hereof. The language in all parts of this Agreement shall in all cases be construed according to its fair meaning, and not strictly for or against any party hereto.

**9.16. Acknowledgement.** By executing this Agreement, Producer acknowledges that he/she has read the Agreement in its entirety and is in agreement with the terms and conditions outlined therein which describe the rights of the parties under this Agreement.

**9.17. Certain Definitions.** For purposes of this Agreement, the following defined terms have the meanings set forth below:

(a) **"Company Affiliate"** means any Person that directly or indirectly controls, is controlled by, or is under common control with, Company, including without limitation any Insurance Affiliate.

(b) **"Control"** (including the terms, **"controlled by"** and **"under common control with"**) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise.

(c) **"Person"** means any natural person, firm, limited liability company, general partnership, limited partnership, joint venture, association, corporation, trust or other entity.

(d) **"Applicable Law"** means any United States or non-United States federal, state, local or territorial law, treaty, convention, code, statute, ordinance, directive, rule, regulation, common law, decree, agency requirement, administrative interpretation, governmental order or determination, rule of any self-regulatory organization or other requirement or rule of law, in each case as in effect from time to time.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS.]**

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered as of the date set forth above.

**PREFERRED FINANCIAL CORPORATION, INC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PRODUCER**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_  
Street Address \_\_\_\_\_

Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
Email: \_\_\_\_\_



# Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type.  
See Specific Instructions on page 3.

<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
<b>2</b> Business name/disregarded entity name, if different from above	
<b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.	<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____  Exemption from FATCA reporting code (if any) _____  <i>(Applies to accounts maintained outside the U.S.)</i>
<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	
<input type="checkbox"/> Other (see instructions) ▶ _____	
<b>5</b> Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
<b>6</b> City, state, and ZIP code	
<b>7</b> List account number(s) here (optional)	

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>					
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> </tr> </table>			-		
		-			
<b>or</b>					
<b>Employer identification number</b>					
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> </tr> </table>			-		
		-			

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions:** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here**

Signature of U.S. person ▶

Date ▶

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

---

## PROHIBITED ACTS

---

No agent or producer of Preferred Financial Corporation ("PFC") and/or Colorado Banker's Life Insurance Company ("CBL") (together referred to as "PFC-CBL") is authorized, directly or indirectly:

- To endorse, deposit, cash or otherwise negotiate any check drawn to PFC's or CBL's order, or to open any bank account in PFC's or CBL's name, or to sign PFC's or CBL's name in any circumstance, or to have any checks or promissory notes printed with "Colorado Bankers Life Insurance Company" or "Preferred Financial Corporation" thereon.
- To endorse, deposit, cash or otherwise negotiate any check drawn by PFC or CBL to the order of a payee other than the agent or a member of the agent's family.
- To place PFC or CBL under legal obligation which is not within the authority granted to me by PFC or CBL in writing.
- To accept risk of any kind, to make, modify or discharge contracts, to extend the time for paying the premium, to waive forfeitures or any of PFC's or CBL's rights or requirements, to bind PFC or CBL by any statement, promise or representation; to agree with any applicant to any extra premium for extra risks, or to collect any monies other than as provided in the agent's contract.
- To advertise or publicize PFC's or CBL's name product or service in any advertising or public medium, including the newspapers, magazines, television or radio broadcasts, web postings, emailings, or other means, unless the content of that publication has first been submitted to, and approved and authorized by PFC and/or CBL in writing.
- To sign as a witness to any person's signature on any application or other paper relating to PFC's or CBL's business (such as health certificates, amendments, questionnaires, etc.) unless that signature is written in the agent's presence.
- To sign the name of another person, such as an applicant, insured, policy owner, beneficiary, assignee or otherwise, whether or not such person consents thereto.
- To retain a policy, other than a policy on the agent or a member of the agent's family, for a period longer than is necessary for purposes of delivery, analysis, record organization and review for servicing.
- To be the assignee, owner or beneficiary of any policy issued by PFC or CBL other than a policy on the agent or on a member of the agent's family. An exception may be authorized, in writing by a Senior Officer of PFC or CBL, only where an agent has a sufficient investment in a business enterprise to justify key person insurance in an amount reasonably related to the investment. Unless and until the exception is granted, no such coverage may be placed in force and no cash may be collected with respect to such an application for a new policy and no change may be effected for an in-force policy.