

Compensation
Hierarchy Schedule 03-093-1-KC (02/12)



Fax # (800) 395-9238

<input checked="" type="checkbox"/> NEW AGENT <input type="checkbox"/> CHANGE	Individual Producer Name	Social Security Number	Agent Code
Corporate Name (For corporate contract only)		Tax ID Number	Agent Code
Principal Name (For corporate contract only)		Social Security Number	Agent Code

Has new business been submitted? Yes* No

If Yes:

Application Date

Name of Applicant

*Outstanding contracting requirements such as: E&O, AML Training, Continuing Education, missing signatures, forms or information may delay new business processing.

How will commissions be paid?

As Earned

3 months advance (must include advance addendum)

6 months advance (must include advance addendum)

9 months advance (must include advance addendum)

Please contract this agent with commissions: Vested Non-Vested

	Name and Agent Code (Please include entire agent hierarchy)	Life Hierarchy Level	Final Expense Hierarchy Level	Annuity Hierarchy Level
IMO	Matthew Pashby EP029			
Upline	Robert Miller EP236			
Upline				
Upline				
Upline				
Upline				
Upline				
Upline				
Agent				

I, the undersigned, hereby authorize the foregoing changes and understand that any changes are subject to Americo's Agent Agreement.

Signature of Approving/Releasing Upline

Signature of IMO

Date

CONSUMER REPORT AUTHORIZATION FORMCONSENT TO OBTAIN CONSUMER REPORTS

This notice is being provided to you by Americo Financial Life and Annuity Insurance Company ("Company") pursuant to the Fair Credit Reporting Act ("FCRA"). As used herein, "the Company" means the above-identified insurer as well as its parents, subsidiaries, affiliates, officers, employees, agents and representatives.

In connection with determining your eligibility to be appointed or sponsored as an agent of the Company, and to maintain such appointment, in one or more states, the Company will from time to time conduct background checks. Such background checks may include the ordering of "consumer reports" from a "consumer reporting agency" containing information on, among other items, your criminal and credit history. These terms are defined in the FCRA. Additional information concerning the FCRA, 15 U.S.C. § 1661 et seq., is available at the Federal Trade Commission's website (<http://www.ftc.gov>).

I hereby authorize the Company and its authorized agents to obtain consumer reports and/or investigative consumer reports in accordance with the FCRA. I further authorize any present or former employers, consumer reporting agencies, educational institutions, criminal justice agencies, departments of motor vehicles, public agencies, financial institutions, or other persons or agencies having knowledge of me to submit information, including data received from other sources, in order that my qualifications may be evaluated.

I understand that this release is valid for any future consumer report that may be requested by the Company. I hereby consent to the Company obtaining such information from time to time, as the Company, in its sole discretion, deems necessary. I further consent to the disclosure of the information to government or regulatory agencies. I also continually authorize the Company to disclose any information received as a result of its background check to my Agency or Independent Marketing Organization.

I understand and agree that the information obtained about me may be used and relied upon by the Company in assessing and evaluating my application for appointment. I hereby release the Company, its authorized agents and any person or entity which provides information pursuant to this authorization, from any and all liabilities, claims or lawsuits relating to the information obtained from any and all of the above-referenced sources, or from furnishing the same.

I acknowledge that a copy of this release may be relied upon in lieu of and shall have the same force and effect as the original. This release is valid for all federal, state, county and local agencies and authorities.

Applicant's Signature (Required)

Date (Required)

Applicant's Name (Printed)

AGENT/AGENCY APPLICATION

Applicant is: An Individual Corporation LLC Partnership

Individual Information (All applicants must complete)

52675 (11/14)

Full Legal Name			
<input type="checkbox"/> Mr.	First Name	Middle Name	Last Name
<input type="checkbox"/> Ms.			
Date of Birth(MM/DD/YYYY)	Social Security Number	Business E-Mail Address	
Business Phone	Business Fax	Cell Phone	
Residence Address			
Street	City	State	Zip Code
Mailing Address			
Street	City	State	Zip Code

Business Entity Information (Corporation, LLC, or Partnership)

Name and Mailing Address			
Business Name	Tax ID		
Street	City	State	Zip Code
Name and Title of Each Principal/Owner Including Applicant (Required for Entities)			
If additional space is required, please attach a separate sheet			
Name	Title		
Name	Title		
Name	Title		
Name:	Title		

Beneficiary Designation

If you are married and reside in a community property state and name someone other than your spouse as beneficiary, payment of commissions may be delayed or disputed unless your spouse provides written authorization consenting to the beneficiary designation.

Name	Date of Birth (MM/DD/YYYY)	Social Security Number
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INDIVIDUAL BACKGROUND QUESTIONS

BACKGROUND: Violent Crime Control and Law Enforcement Act of 1994: The Violent Crime Control and Law Enforcement Act of 1994 is the largest crime bill in the history of the United States. For purposes of this application, the Crime Act of 1994 prohibits any individual who has been convicted of a criminal felony involving dishonesty or breach of trust to willfully engage in business of insurance. Acts that would exclude you from engaging in the business of insurance include, but are not necessarily limited to, (1) knowingly make false material statements in financial reports submitted to insurance regulators; (2) embezzle or misappropriate monies or funds of an insurance company; (3) make material false entries in the records of an insurance company in an effort to deceive officials of the company or regulators regarding the financial condition of the company; (4) obstruct an investigation by an insurance regulator. In addition to the foregoing, THE 1994 CRIME ACT MAKES IT A FEDERAL CRIME FOR INDIVIDUALS WHO HAVE BEEN CONVICTED OF A FELONY INVOLVING DISHONESTY, BREACH OF TRUST, OR ANY OF THE OFFENSES LISTED ABOVE TO WILLFULLY ENGAGE IN THE BUSINESS OF INSURANCE. Willfully engaging in the business of insurance includes acting as an insurance agent. Penalties for violating the 1994 Crime Act include civil fines up to \$50,000 and imprisonment up to 15 years. IT IS YOUR RESPONSIBILITY TO KNOW IF YOU HAVE A CRIMINAL CONVICTION THAT PLACES YOU IN VIOLATION OF THE 1994 CRIME ACT, AND TO REPORT SUCH CONVICTIONS TO AMERICO.

- 1.) Will you be in violation of the 1994 Crime Act if you act as an insurance agent?
2.) Did you file a 1033 form in any state due to felony charges covered by 18USC 1033?
If so, did you gain consent to write?
3.) Have you ever filed bankruptcy?

If you are applying as an Entity skip the below questions and move to page 3

- 4.) Are you currently charged with or have you ever been convicted of a crime, including felony, misdemeanor, or military offense?
5.) Do you have any outstanding debt(s) with any insurance company (ies)?
6.) Do you currently have a state, federal or any taxing authority tax lien?
7.) Do you have any outstanding civil judgments?
8.) Have you ever been refused a bond or had a bond cancelled?
9.) Have you ever been named or involved as a party in an administrative proceeding including but not limited to FINRA sanctions or arbitration proceeding regarding any professional or occupational license or registrations?

If you answered "Yes" to any questions, please attach a signed written explanation with all relevant information and supporting documents (e.g. Official Court Records, Repayment Agreements and corresponding receipts).

To aid in expediting your application, please provide the following additional documentation for "yes" responses to the below questions. Failure to provide a signed explanation and supporting documentation will delay contracting.

- Questions 1 and 2: Along with the written explanation, you must attach a copy of the 1033 consent from your home state.
Question 3: If satisfied, disposed of or discharged, provide court documentation and/or 6 months repayment history
Question 5: Provide 6 months proof of repayment.
Question 6: Provide 6 months proof of repayment from taxing authority
Question 9: Attach:

- a) a written statement identifying the type of license, all parties involved (including their percentage of ownership, if any) and explaining the circumstances of each incident.
b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
c) a copy of the official document which demonstrates the resolution of the charges or any final judgments

BUSINESS ENTITY BACKGROUND QUESTIONS

(Required for all Entities)

BACKGROUND: Violent Crime Control and Law Enforcement Act of 1994: The Violent Crime Control and Law Enforcement Act of 1994 is the largest crime bill in the history of the United States. For purposes of this application, the Crime Act of 1994 prohibits any individual who has been convicted of a criminal felony involving dishonesty or breach of trust to willfully engage in business of insurance. Acts that would exclude you from engaging in the business of insurance include, but are not necessarily limited to, (1) knowingly make false material statements in financial reports submitted to insurance regulators; (2) embezzle or misappropriate monies or funds of an insurance company; (3) make material false entries in the records of an insurance company in an effort to deceive officials of the company or regulators regarding the financial condition of the company; (4) obstruct an investigation by an insurance regulator. In addition to the foregoing, **THE 1994 CRIME ACT MAKES IT A FEDERAL CRIME FOR INDIVIDUALS WHO HAVE BEEN CONVICTED OF A FELONY INVOLVING DISHONESTY, BREACH OF TRUST, OR ANY OF THE OFFENSES LISTED ABOVE TO WILLFULLY ENGAGE IN THE BUSINESS OF INSURANCE.** Willfully engaging in the business of insurance includes acting as an insurance agent. Penalties for violating the 1994 Crime Act include civil fines up to \$50,000 and imprisonment up to 15 years. **IT IS YOUR RESPONSIBILITY TO KNOW IF YOU HAVE A CRIMINAL CONVICTION THAT PLACES YOU IN VIOLATION OF THE 1994 CRIME ACT, AND TO REPORT SUCH CONVICTIONS TO AMERICO.**

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1.) Is the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company currently being charged with or has ever been convicted of a crime, including felony, misdemeanor, or military offense? <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Convicted includes a guilty verdict, withdrawn plea, probation, nolo contendere plea, suspended sentences, or fines. You may exclude traffic citations and juvenile offenses.</i> | | |
| 2.) Does the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company have any outstanding debt(s) with any insurance company (ies)? <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| If "Yes", please provide: Name: _____ Amount: _____ Relationship: _____ | | |
| 3.) Has the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company, ever been subject to a bankruptcy proceeding? (Do not include personal bankruptcies, unless they involve funds held on behalf of others.) <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.) Does the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company currently have a state, federal or any taxing authority tax lien? <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5.) Does the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company have any outstanding civil judgments? <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6.) Has the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company ever been refused a bond or had a bond cancelled (other than for non-payment)?..... <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7.) Has the Business Entity or any Owner, Partner, Officer or Director of the Business Entity, or Member or Manager of a Limited Liability Company ever been named or involved as a party in an administrative proceeding including but not limited to FINRA sanctions or arbitration proceeding regarding any professional or occupational license, or registrations? Includes State Insurance Department investigations, license suspensions, revocations, or administrative fines. <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>"Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license or registration. "Involved" also means having a license application denied or the act of withdrawing an application to avoid a denial. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.</i> | | |

If you answered "yes" to any questions, please attach a signed written explanation with all relevant information and supporting documents (e.g. Official Court Records, Repayment Agreements and corresponding receipts).

To aid in expediting your application, please provide the following additional documentation for "yes" responses to the below questions.

Failure to provide a signed explanation and supporting documentation will delay contracting.

Question 2: Provide 6 month's proof of repayment.

Question 3: If satisfied, disposed of or discharged, provide court documentation and/or 6 months repayment history

Question 4: Provide 6 months proof of repayment from taxing authority

Question 7: Attach:

- a) a written statement identifying the type of license, all parties involved (including their percentage of ownership, if any) and explaining the circumstances of each incident.
- b) a copy of the Notice of Hearing or other document that states the charges and allegations, and a copy of the official document which demonstrates the resolution of the charges or any final judgments.

LICENSES

Non-resident appointment fees will be deducted directly from your commissions upon our acceptance of the contract or once the first piece of business has been submitted, depending on the state's appointment regulations.

I plan to write business in the following states and would like to be appointed in accordance with the states requirements.

- | | | | | |
|---|--|---|---|--|
| <input type="checkbox"/> Alabama | <input type="checkbox"/> Hawaii | <input type="checkbox"/> Michigan | <input type="checkbox"/> North Dakota | <input type="checkbox"/> Virginia |
| <input type="checkbox"/> Alaska | <input type="checkbox"/> Idaho | <input type="checkbox"/> Minnesota | <input type="checkbox"/> Ohio | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Arizona | <input type="checkbox"/> Illinois | <input type="checkbox"/> Mississippi | <input type="checkbox"/> Oklahoma | <input type="checkbox"/> West Virginia |
| <input type="checkbox"/> Arkansas | <input type="checkbox"/> Indiana | <input type="checkbox"/> Missouri | <input type="checkbox"/> Oregon | <input type="checkbox"/> Wisconsin |
| <input type="checkbox"/> California | <input type="checkbox"/> Iowa | <input type="checkbox"/> Montana | <input type="checkbox"/> Pennsylvania | <input type="checkbox"/> Wyoming |
| <input type="checkbox"/> Colorado | <input type="checkbox"/> Kansas | <input type="checkbox"/> Nebraska | <input type="checkbox"/> Rhode Island | |
| <input type="checkbox"/> Connecticut | <input type="checkbox"/> Kentucky | <input type="checkbox"/> Nevada | <input type="checkbox"/> South Carolina | |
| <input type="checkbox"/> Delaware | <input type="checkbox"/> Louisiana | <input type="checkbox"/> New Hampshire | <input type="checkbox"/> South Dakota | |
| <input type="checkbox"/> District of Columbia | <input type="checkbox"/> Maine | <input type="checkbox"/> New Jersey | <input type="checkbox"/> Tennessee | |
| <input type="checkbox"/> Florida | <input type="checkbox"/> Maryland | <input type="checkbox"/> New Mexico | <input type="checkbox"/> Texas | |
| <input type="checkbox"/> Georgia | <input type="checkbox"/> Massachusetts | <input type="checkbox"/> North Carolina | <input type="checkbox"/> Utah | |

If you hold a non-resident license in Florida and plan to physically solicit in any Florida county, you must indicate those counties below, as an appointment is required. Americo will pay the fee for the county appointment.

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Alachua County | <input type="checkbox"/> Franklin County | <input type="checkbox"/> Lee County | <input type="checkbox"/> Pinellas County |
| <input type="checkbox"/> Baker County | <input type="checkbox"/> Gadsden County | <input type="checkbox"/> Leon County | <input type="checkbox"/> Polk County |
| <input type="checkbox"/> Bay County | <input type="checkbox"/> Gilchrist County | <input type="checkbox"/> Levy County | <input type="checkbox"/> Putnam County |
| <input type="checkbox"/> Bradford County | <input type="checkbox"/> Glades County | <input type="checkbox"/> Liberty County | <input type="checkbox"/> Santa Rosa County |
| <input type="checkbox"/> Brevard County | <input type="checkbox"/> Gulf County | <input type="checkbox"/> Madison County | <input type="checkbox"/> Sarasota County |
| <input type="checkbox"/> Broward County | <input type="checkbox"/> Hamilton County | <input type="checkbox"/> Manatee County | <input type="checkbox"/> Seminole County |
| <input type="checkbox"/> Calhoun County | <input type="checkbox"/> Hardee County | <input type="checkbox"/> Marion County | <input type="checkbox"/> St. Johns County |
| <input type="checkbox"/> Charlotte County | <input type="checkbox"/> Hendry County | <input type="checkbox"/> Martin County | <input type="checkbox"/> St. Lucie County |
| <input type="checkbox"/> Citrus County | <input type="checkbox"/> Hernando County | <input type="checkbox"/> Miami-Dade County | <input type="checkbox"/> Sumter County |
| <input type="checkbox"/> Clay County | <input type="checkbox"/> Highlands County | <input type="checkbox"/> Monroe County | <input type="checkbox"/> Suwannee County |
| <input type="checkbox"/> Collier County | <input type="checkbox"/> Hillsborough County | <input type="checkbox"/> Nassau County | <input type="checkbox"/> Taylor County |
| <input type="checkbox"/> Columbia County | <input type="checkbox"/> Holmes County | <input type="checkbox"/> Okaloosa County | <input type="checkbox"/> Union County |
| <input type="checkbox"/> DeSoto County | <input type="checkbox"/> Indian River County | <input type="checkbox"/> Okeechobee County | <input type="checkbox"/> Volusia County |
| <input type="checkbox"/> Dixie County | <input type="checkbox"/> Jackson County | <input type="checkbox"/> Orange County | <input type="checkbox"/> Wakulla County |
| <input type="checkbox"/> Duval County | <input type="checkbox"/> Jefferson County | <input type="checkbox"/> Osceola County | <input type="checkbox"/> Walton County |
| <input type="checkbox"/> Escambia County | <input type="checkbox"/> Lafayette County | <input type="checkbox"/> Palm Beach County | <input type="checkbox"/> Washington County |
| <input type="checkbox"/> Flagler County | <input type="checkbox"/> Lake County | <input type="checkbox"/> Pasco County | |

AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER (DIRECT DEPOSIT)

Commissions are sent daily (default), weekly, or monthly through Electronic Funds Transfer into your bank account.

I hereby authorize the Company to pay my commissions by depositing my commissions through Electronic Funds Transfer and to initiate, if necessary, adjustments involving errors to the deposits, but only to the extent of the errors, in the account indicated below. The undersigned also authorizes the depository named below, (the "Depository") to accept such deposits and make any requested adjustments to such account as instructed by the Company. It is agreed that these deposits may be made electronically and under the Rules of the Mid-America Automated Clearing House Association. This authority is to remain in full force and effect until the Company has received written notification from me of its termination, allowing the Company enough time to act on it.

Please complete all information.

Account Holder's Name (please print)	Applicant's preferred pay frequency: <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly
Routing Number	Account Number

Please include one of the following:

Voided check for checking account (or)

Deposit slip for savings account (or)

- must indicate account number
- note that routing number on the deposit slip is not the bank routing number needed to transmit a deposit, please confirm routing number with your bank and write above
- verify that the numbers are the same as on your account as these sometimes differ

Bank routing and account numbers on financial institutions letterhead

Tape voided check or deposit slip here.

REPRESENTATIONS AND AGREEMENTS

- I can solicit business only in states where I am licensed.
- I will not solicit business in states that prohibit solicitation prior to my appointment.
- As a general rule, it is not acceptable for me to make a solicitation anywhere other than in the resident state of the applicant.
- Premium checks will be payable to and sent directly to the Company. No premium checks will be deposited to a personal or business account. Money orders will not be accepted for initial premium.
- I will represent all policies according to their applicable provisions, including any illustration of values and benefits. Full disclosure will be made regarding all policy features and conditions relevant to the receipt of benefits.
- I will abide by all rules and regulations of the Company, which may be subject to change at any time.
- I understand that I must complete Anti-Money Laundering Training on the LIMRA web site and I also understand that Amerigo requires me to renew my certification every 2 years. Policies falling under the Anti-Money Laundering Training requirements will not be issued unless the initial and renewal training requirements have been fully met.
- If I am convicted of or plead guilty to any felony involving dishonesty or breach of trust, or any offense under Title 18 U.S. Code Sec. 1033, or am required to file under any sex offender registration law of any state, I will immediately report it to the Company.

TAXPAYER IDENTIFICATION CERTIFICATION

1. Under penalties of perjury, I certify that I am a US citizen or other US person, and that the number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me).
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.*
3. I am exempt from FATCA (Foreign Account Tax Compliance Act) reporting.

*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 failed to report all interest or dividends on your tax return.

“The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.”

E&O COVERAGE

By signing this application, you acknowledge that you are responsible for maintaining, and agree to maintain, E&O liability coverage of not less than \$1 million at the time any business is written on behalf of the company, during the term of this Agent Agreement and for a period of two years after the Agreement is terminated. Your certificate must indicate coverage for any line of business you sell. (i.e. Life, annuity)

Carrier Name	Coverage Amount (min. \$1 million)	Policy Number	Expiration Date

AGENT'S DECLARATION AND AUTHORIZATION

- It is understood that I will be responsible for any and all commission chargebacks to my account and to the accounts of any other agents on whose production I receive a commission override. Should litigation be necessary to collect any debit balance, reasonable attorney fees and collection costs plus interest at the highest rate allowable by state law may also be awarded to the Company.
- I am fully aware and understand that as a licensed insurance agent it is my responsibility to completely understand the products and companies I represent and to properly solicit these products to consumers in accordance with insurance solicitation laws and consumer protection laws within the state(s) where I hold a resident and/or non-resident license.

I hereby certify that I have truthfully answered the questions above. I further certify that in answering the questions above I have exercised due diligence in researching all answers provided, including, but not limited to, examining whether I have any criminal convictions that place me on violation of the 1994 Crimes Act. The information is to the best of my knowledge and belief accurate Statements of Fact. I further understand that if any material information given in this application is found to be incorrect or incomplete, it will be grounds for termination at the Company's discretion, and grounds for any state, federal, contractual or other remedies the Company may have available to it. I understand and agree to the terms of that document known as the Agent Agreement with Amerigo Life, Inc. Affiliates, (form No. SMC-010100), which is incorporated into and made a part hereof by this reference, and agree that all obligations imposed thereunder shall survive the termination of such Agent Agreement. If you are signing on behalf of a General Agency or Independent Marketing Organization, by signing this Agent Agreement, you agree that you are a duly authorized principal for your General Agency or Independent Marketing Organization, and that you have authority to sign and bind your General Agency or Independent Marketing Organization to the terms set forth herein, and that your signature authorizes the disclosure of the requested information.

Applicant's Signature (Required)

Date (Required)

Applicant's Name (Printed)

COMMISSION ADVANCE ADDENDUM FOR: _____

Agent's Name (please print)

This ADDENDUM supplements and is part of the AGENT AGREEMENT (AGREEMENT) between you and Americo Financial Life and Annuity Insurance Company, Great Southern Life Insurance Company, and The Ohio State Life Insurance Company, (individually and collectively, the Company, we, us, or our) pursuant to which you or your agents solicit applications for our insurance, annuities, riders and other contracts (policies).

1. ADVANCE COMMISSION REQUEST

You hereby request us to make advances of first-year commissions to be earned under the AGREEMENT ("advance commissions"). As consideration for our payment to you of advance commissions subject to the terms and conditions of this ADDENDUM, you (a) represent to us that any advances hereunder are solely for business purposes, and (b) agree to the terms and conditions of the ADDENDUM.

2. COMPANY'S RIGHTS

The Company reserves the right to:

- A. determine the amount of any advance commissions payable to you,
- B. decline an advance commission to you at our sole discretion,
- C. establish a maximum amount of advance commissions that may be outstanding at any time,
- D. establish a maximum advance commission on a policy,
- E. with written notice to you, or your recruiting agency or your Independent Marketing Organization, assess a service charge at a rate to be determined, not to exceed 10% per annum, on the outstanding balance in your commission account, for providing annualization of commissions,
- F. charge interest on the outstanding balance at a rate to be determined, not to exceed 8% per annum, and
- G. upon termination of the Agreement of this Addendum, to demand immediate repayment of any outstanding commission advances which have been paid to you.

3. ADVANCES ON FIRST YEAR LIFE AND ANNUITY PREMIUMS

For purposes of this ADDENDUM, advance commissions for Life and Annuity products will be a percentage of the expected first-year commissions of an insurance contract for which the premiums are to be paid to us during the first policy year, reduced by a service charge, if any, in accordance with Paragraph 2E. The advance commissions will be calculated in accordance with the following guidelines, subject to the Company's rights in Paragraph 2:

- A. Any unearned advance commissions on a policy will be charged back and offset against any monies payable to you, under the following conditions:
 - 1. If any policy is returned to the Company as "Not Taken", or the initial premium is not paid within 150 days of the advance commission date.
 - 2. If after a policy's initial premium is paid, subsequent premium is not received within 150 days of the previous premium payment.
 - 3. If any policies that advance commissions have been paid on terminates for any reason.
 - 4. At the end of the tenth month after the advance date, if there are any unearned advance commissions remaining.
- B. Advance commissions will not be made on controlled business. "Controlled business" means policies insuring or owned by you, your immediate family (spouses, children or stepchildren, parents or stepparents, siblings, or your spouse's parents or stepparents, grandparents), any agent of ours, or partner, corporate director, officer, employee, or any family member thereof. You must give written notice of any controlled business along with any application for such business.

4. INDEBTEDNESS

The amount of advance commissions paid to you and any interest thereon is indebtedness as contemplated in Paragraph 3.C of the AGREEMENT. Any advance commissions charged back in accordance with Paragraph 3.A. of this ADDENDUM shall be a general indebtedness, and you agree to reimburse us for all attorney's fees and other collection costs as permitted by law and all such amounts shall become indebtedness hereunder.

In order to secure the full and prompt payment of any and all indebtedness due from you or your agents to us or guaranteed by you, the Company will have a security interest and first lien on any monies due at any time under the SCHEDULE OF COMMISSIONS or any applicable addendum. In addition to any statutory or other legal basis, the Company will have the right of offset and, at any time, may deduct from any monies, or other rights due you, such indebtedness together with interest at the maximum rate allowed by the law of your state and any attorneys' fees and collection costs incurred by us. Any compensation due to you from any of our companies is subject to a similar security interest and may be offset against any indebtedness owed by you to any of our other companies.

5. TERMINATION OF ADDENDUM

This ADDENDUM of the AGREEMENT may be terminated with or without terminating the AGREEMENT itself, by you, your recruiting agent, Independent Marketing Organization, or us at any time. Notification by you or us of termination of the AGREEMENT will also immediately terminate the Company's obligations under this ADDENDUM.

Agent's Name (please print)

Agent Number

Date

By: _____
Agent's Signature (1)

(1) If partnership, a general agent must sign. If corporation, an authorized executive officer must sign.