

Bankers Fidelity Life Insurance Company®
Bankers Fidelity Assurance Company™
Atlanta, Georgia

ADVANCE COMPENSATION AND LOAN AGREEMENT
(FOR INDIVIDUAL)

Bankers Fidelity Life Insurance Company® and/or Bankers Fidelity Assurance Company™ (collectively the “Company”) has appointed the undersigned as a Producer for the Company to solicit applications for insurance policies to be underwritten by the Company and has agreed to pay to the Producer, as payment for soliciting such policies, Compensation in the form of commissions representing certain portions of the commissionable premiums actually received and collected on such policies.

The Company may, from time to time at its sole and absolute discretion, advance and loan money to the Producer pursuant to and in accordance with this agreement.

The Producer hereby agrees that any and all amounts advanced to the Producer by the Company will for all purposes be deemed as loans to the Producer by the Company creating an indebtedness of the Producer to the Company for the repayment of which indebtedness the Producer will be and remain liable. All such indebtedness shall be repayable by the Producer to the Company, together with interest thereon at the prevailing rate from time to time being charged by major banks to their prime customers, or such lesser rate as shall be set by the Company in its sole and absolute discretion. Any such indebtedness shall be paid immediately upon demand of the Company or over such period of time as the Company may direct.

This agreement evidences Producer’s indebtedness to the Company, as well as Producer’s obligation to repay the Company; however, at the request of the Company, the Producer will execute and deliver to the Company such promissory notes (either secured or unsecured as the Company may direct), or such other evidences of indebtedness including, but not limited to, a security interest in collateral, as the Company may request, to further evidence the indebtedness of the Producer to the Company.

The Producer understands and agrees that in the event of the termination of Producer’s Contract with the Company, all indebtedness of the Producer to the Company, including indebtedness arising from advances made pursuant hereto, shall, without notice or demand, become immediately due and payable and the Producer agrees, in such event, to immediately repay the entire unpaid balance of such indebtedness, together with interest thereon as herein provided.

If the Producer fails to pay any indebtedness when due, the Producer will pay all charges and other costs, including without limitation court costs and attorneys’ fees, incurred by the Company in connection with its efforts to collect said indebtedness. In any action, suit or other proceedings, including non-contractual disputes, venue shall be in DeKalb County, Georgia and both parties waive any other venue unless agreed to in advance and in writing by the parties. Producer hereby consents to and subjects himself to the courts of general jurisdiction in DeKalb County, Georgia.

To secure the repayment to the Company of the amounts advanced by the Company to Producer, and all other indebtedness of the Producer to the Company, the Producer hereby assigns and grants to the Company a first priority security interest in all commissions and other Compensations which are now owing, or which may from time to time hereafter be earned by and owing, to the Producer from the Company, its successors, assigns, affiliates or predecessor companies. The Company may, at any time, apply any and all commissions or other Compensation earned by the Producer to the repayment of any such amounts advanced or any indebtedness of the Producer to the Company. Producer hereby agrees not to pledge, assign or otherwise encumber any commissions or other Compensation owed or to be owed by the Company without the prior written consent of the Company.

The Producer specifically agrees to repay the total amount of Producer’s indebtedness to the Company, including without limitation, any indebtedness in excess of Compensation earned. If the Producer is a corporation or other business entity, Producer’s owner(s) and/or principal(s), as evidenced by their individual signature(s) set forth below, specifically agree(s) and understand(s) that he, she, or they, as the case may be, is (are) personally liable for the repayment to the Company of all indebtedness of Producer to the Company.

This agreement may be terminated at the written request of the Producer at any time that there is no outstanding indebtedness of the Producer to the Company, its successors, assigns, affiliates or predecessor companies, and the Company is under no obligation to make further advances to the Producer.

The Producer agrees to execute, deliver, file and/or record any and all notices, UCC-1 financing statements, extensions, security agreements, assignments or other documents which the Company deems necessary or desirable to effect, protect, perfect or continue its security interest in the commissions herein above assigned; and further, Producer hereby appoints the Company as Producer’s attorney-in-fact, having the authority to execute, deliver, file and/or record any and all such aforesaid notices, UCC-1 financing statements, extensions, security agreements, assignments or other documents, the cost of which shall be borne by Producer.

The Company may assign its rights under this agreement; and, Producer consents to such assignment and agrees, upon receipt of notice thereof, to make payments to such assignee. Producer may not, without the prior written consent of the Company, assign this agreement.

Charge-backs are subject to a charge-back fee of \$25.00, if the policy does not remain in force for 3 months except for declinations by the Company. Charge-backs are made through a weekly advance statement as a pro-rated amount of the unearned advance.

<p>_____</p> <p>Producer (INDIVIDUAL AGENT SIGNATURE)</p> <p>_____</p> <p>(Print Name)</p>	<p>Dated: _____</p>
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**IF PRODUCER IS SPONSORED BY A GENERAL AGENT,
THIS SECTION ALSO NEEDS TO BE COMPLETED**

As the General Agent, the undersigned acknowledges that Producer may receive advance commissions as provided herein. General Agent hereby guarantees and promises to pay upon demand all obligations and indebtedness of Producer to the company, including but not limited to, any advance commissions paid to broker.

<p>_____</p> <p>NAME OF GENERAL AGENT'S CORPORATION OR BUSINESS ENTITY</p>	<p>Dated: _____</p>
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By: _____
(Signature and Title)

(Print Name)

The undersigned, as the owner(s)/principal(s) of the General Agent's Corporation named above, hereby personally guarantee(s) all obligations and indebtedness of _____ (name of General Agent's corporation or business entity) to the Company.

[Name(s) and signature(s) of owner(s)/principal(s) of General Agent's corporation]

_____ (Signature)	_____ (Date)	_____ (Signature)	_____ (Date)
_____ (Print Name)	_____ (Date)	_____ (Print Name)	_____ (Date)

HOME OFFICE USE ONLY

The foregoing is hereby accepted as of the date set forth below.

THE COMPANY

By: _____
(Signature and Title)

Dated: _____

APPOINTMENT QUESTIONNAIRE

- 28. National Producer Number (NPN) _____
- 29. How long have you held an insurance license? _____
- 30. Were you associated with the insurance industry before receiving your insurance license?..... Yes No
If so, in what capacity? _____
- 31. Do you carry Errors & Omissions Insurance or are you bonded in any state or by and insurance carrier? Yes No
If yes, provide company name and policy number. _____

If your answer to any of the questions from 32 to 40 is marked "Yes," please attach complete documentation.

- 32. Are you presently indebted to any insurance company or managing general agent? Yes No
- 33. Are you presently indebted to any country, state or federal agency? Yes No
- 34. Within the past ten years, have you filed, have pending or discharged a bankruptcy (Chapter 7, 11 & 13)? .. Yes No
- 35. Do you have any outstanding liens or judgements against you? Yes No
- 36. Are there any criminal charges pending against you, or have you ever been convicted of or pleaded nolo contendere to any felony or misdemeanor, except traffic offenses? If yes, give complete information and attach copy of court order Yes No
- 37. Have you ever been named a party in a lawsuit (other than divorce)? Yes No
- 38. Have you ever had any agent/agency contract or company appointment terminated for cause? Yes No
- 39. Have you ever been the subject of any investigation or proceeding by any insurance department or been expelled, fined, barred, censured or otherwise disciplined or found to have violated any law or rule by any party in the insurance industry? Yes No
- 40. Have you ever been refused a license to sell insurance, had a license suspended or revoked, or withdrawn any application or surrendered any license to avoid any disciplinary action? Yes No

I certify that I have answered all questions honestly and to the best of my knowledge.

Date _____ Signature 

CRIMES BY OR AFFECTING PERSONS ENGAGED IN THE BUSINESS OF INSURANCE WHOSE ACTIVITIES AFFECT INTERSTATE COMMERCE.

Under the Violent Crime Control & Law Enforcement Act of 1994 (18 USC 1033 § 1034), there are criminal penalties for anyone who willfully allows a person who have been convicted of any criminal felony involving dishonesty or a breach of trust, to participate in the business of insurance. It further prohibits any individual, who has been convicted of any criminal felony involving dishonesty or a breach of trust, to willfully engage in the business of insurance. Violators may be subject to imprisonment for up to 5 years and/or fines of \$50,000.

For consideration of any appointment, the following question must be answered, the agent's initial placed where indicated, and the form signed and dated below.

Have you ever been arrested for any crime, other than a traffic offense? (Answer YES or NO)  Your Initials 

If "yes" provide the date, jurisdiction, charge and sentence. _____

Date _____ Signature 

Bankers Fidelity Life Insurance Company®
Bankers Fidelity Assurance Company™
4370 Peachtree Road, N.E., P.O. Box 105185, Atlanta, Georgia 30348-5185
Local: (404) 266-5600; Toll Free: (800) 241-1439

THIS FORM MUST BE SIGNED AND DATED BY ALL CONCERNED PERSONNEL.

PREPARATION OF CREDIT REPORTS/PERSONAS

In connection with your application to become a Bankers Fidelity Life Insurance Company ("BFLIC") and/or Bankers Fidelity Assurance Company ("BFAC") (collectively the "Company") Producer, the Company may seek background information about you from a consumer reporting agency in the form of a "consumer report" as defined by 15 U.S.C. § 1681a(d). These reports may be obtained at any time after the Company receives authorization from you, including any time during the period you are a Company Producer. Consumer reports include any written, oral or other communication of information by a consumer reporting agency bearing on your credit standing, character, general reputation and other characteristics that are expected to be used for Producer purposes. Consumer reports may include credit reports and criminal records, among other resources. The Company strictly prohibits the preparation, use, or review of any consumer report without the consumer/producer having first executed the attached Fair Credit Reporting Act Disclosure. Moreover, the Company strictly prohibits the review, recordation or dissemination of any information contained in a consumer report other than so as to process a new or former Producer. All consumer reports shall be placed in Producer's file and given to Agency Department Management. The Company will only run and use a consumer report if the Producer has first completed, signed and dated the Fair Credit Reporting Act Disclosure attached hereto as Exhibit "A."

Any violation of this policy shall be grounds for immediate termination. The undersigned hereby states that he/she has read this policy, understands it, and shall abide by it.

Date: _____ Signature: _____

**FAIR CREDIT REPORTING ACT DISCLOSURE
EXHIBIT "A"**

I hereby authorize Bankers Fidelity Life Insurance Company and/or Bankers Fidelity Assurance Company (hereinafter collectively "the Company") or its authorized agents, for the purpose of appointing the undersigned Producer for the Company, to obtain or prepare consumer reports at any time after it receives this authorization, including any time that I may be a Producer for the Company.

I hereby authorize law enforcement agencies, public and private schools, federal, state and local agencies and courts, credit bureaus, information bureaus, current and former employers, financial institutions, licensing agencies, governmental agencies, the military, and other individuals and entities to provide any and all information that is requested by consumer reporting agencies or the Company.

I certify that the information provided on this form is true and correct. I understand that any information that I provide in a Producer questionnaire, or that I otherwise disclose during my tenure as a Producer, may be used to obtain consumer reports.

Date: _____ Signature: _____ Social Security No.: _____

Request for Taxpayer Identification Number and Certification

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

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <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) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
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 the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

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).

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 on page 4.

Sign Here **Signature of U.S. person** ▶ X

Date ▶

General Instructions

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

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.



Name of Producer: _____ NPN #: _____

Street Address: _____ P.O. Box: _____

City, State and Zip: _____

THIS AGREEMENT ("Agreement") is made between the Producer identified above (hereinafter "Producer") and:

- Bankers Fidelity Life Insurance Company, a Georgia Corporation with its home office in Atlanta, Georgia ("BFLIC"), and/or,
- Bankers Fidelity Assurance Company, a Georgia Corporation with its home office in Atlanta, Georgia ("BFAC").

Producer is to check "✓" whether he desires to enter into this Agreement with BFLIC, BFAC, or both. A check "✓" in both boxes shall indicate Producer's intent to enter into this Agreement with both BFLIC and BFAC. A check "✓" in only one box shall indicate Producer's intent to enter into this Agreement only with the corporation selected. BFLIC, BFAC or both shall likewise check "✓" the box above their signature line indicating which corporation, or both, intends to enter into this Agreement with Producer. This Agreement shall only be binding upon and inure to the benefit of Producer and that corporation(s) (BFLIC, BFAC, or both) mutually selected by the parties. If no corporation(s) is mutually selected, then this Agreement shall be null and void. The parties' mutual selection (BFLIC, BFAC or both) shall hereinafter be referred to (either individually or collectively) as the "Company."

IN WITNESS WHEREOF, the Company and Producer have executed this Agreement, in duplicate, including the provisions on this and the following pages, as of the Agreement Date.

Signed, sealed and delivered by the Producer, who hereby acknowledges receipt of a completed copy hereof.

(Producer's Signature, if an individual)

By: _____
(Print Name) (Date)

(or) _____
(Name of Producer's Corporation or Business Entity)

By: _____
(Print Name and Title) (Date)

(Recruiting General Agent's Signature, if an individual)

By: _____
(Print Name) (Date)

(or) _____
(Name of Recruiting General Agent's Corporation or Business Entity)

By: _____
(Print Name and Title) (Date)

BANKERS FIDELITY LIFE INSURANCE COMPANY

By: _____
(Signature and Title)

(Print Name) (Date)

Agreement Effective Date: _____
(For Home Office Use Only)

BANKERS FIDELITY ASSURANCE COMPANY

By: _____
(Signature and Title)

(Print Name) (Date)

Agreement Effective Date: _____
(For Home Office Use Only)

1. AUTHORITY

A. The Company hereby grants authority to the Producer to solicit and submit to the Company applications for the classes of insurance written by the Company, to deliver policies, to collect first premiums thereon, and to service the business in accordance with the rules and regulations of the Company and the State Insurance Department or other regulatory agency of the state(s) in which the Producer is operating. Producer shall at all times comply with the rules, regulations and laws of the state(s) in which Producer is operating.

The Producer is not authorized to:

(i) receive any money on behalf of the Company except first premiums;

(ii) extend credit in any respect on behalf of the Company;

(iii) change, omit, modify or waive any questions, terms, conditions or limitations in any policy or application;

(iv) deliver a policy unless the full first premium recited in the policy has been paid and unless there has been no adverse change in the health of the named insured as would cause the Company to either decline coverage or charge a higher premium. Any such adverse change in health prior to Policy delivery voids the Policy.

(v) to make any contract on behalf of the Company;

(vi) impose liability upon or bind the Company;

(vii) set or change premium rates or coverage offered by the Company, except in accordance with the Company's conditional receipt form when given in exchange for the first premium, or part thereof, paid with an original application for insurance;

(viii) issue or circulate any advertising or promotional literature or material unless the same has been prepared and provided by Company or approved in writing by Company;

(ix) issue any receipt for money not received;

(x) exercise any authority, other than as expressly conferred herein.

B. The Producer will report and remit to the Company all monies collected on behalf of the Company. The Producer shall receive and hold said monies in a fiduciary account and in a fiduciary capacity as trustee for the benefit of the Company, and the Producer shall not commingle or divert said monies in any manner whatsoever. In the event Producer remits less than the entire amount of the first premium due, then the remaining amount shall be deducted from Producer's Compensation, regardless of the amount Producer actually collected.

C. The Producer shall immediately submit the applications to the Company, make no alterations in the text or the terms of the application nor modify or alter any representation made by or for the applicant therein without the prior written consent of said applicant. Producer shall ensure that all questions on the application are read to and reviewed by applicant prior to signature.

D. All policies sent to the Producer shall be delivered promptly to the applicant, and whenever such delivery cannot be made by the Producer, the Producer shall, within thirty (30) days of the date the policy was mailed to the Producer, return said policy to the Company with a written statement indicating the specific reason(s) for non-delivery thereof.

E. The Producer shall not be authorized to solicit and submit business to the Company unless and until Producer receives notice (either written, electronic or otherwise) from Company that Producer is authorized to do so.

F. The Producer shall not sell any of Company's products in conjunction with the concurrent sale of any non-insurance related product, nor shall Producer represent any non-insurance related product as being associated with, condoned or endorsed by Company.

G. The Company reserves the right, in its sole discretion, to terminate, modify or discontinue any insurance product line it offers.

2. **RELATIONSHIP.** Nothing contained herein shall be construed as creating an agency relationship or the relationship of employer and employee between Company and Producer. Producer shall be an "Independent Contractor" for all purposes and exercises full control of and responsibility for Producer's activities with the right to exercise independent judgment as to the time, method and manner of the Producer's work, etc. so long as such is lawful and consistent with the rules and regulations of the Company and the State Insurance Department or other regulatory agency and laws of the state(s) in which the Producer is operating.

3. **COMPENSATION.** Subject to: (i) all applicable terms and conditions both set forth herein and, (ii) Company retaining Compensation (as hereinafter defined) for the repayment of any indebtedness due Company by the Producer or for other reasons as stated herein or as allowed by law; (iii) paragraph 4 of this Agreement pertaining to Existing BFLIC Producers; and (iv) paragraph 5 of this Agreement, Company shall pay Producer or Producer's agents, sub-agents, employees, successors, assigns and/or affiliates, as the Company, in its sole discretion, may deem is appropriate, as full payment for business submitted the Company by or through the Producer and accepted by the Company, commissions in accordance with the attached Compensation Schedules (hereinafter referred to as "Compensation") which expresses Compensation as being a percentage of Commissionable Premiums received and accepted by the Company. "Commissionable Premiums" are those premiums received and accepted by the Company on which Company in its sole and absolute discretion elects to pay a commission.

The Compensation Schedule contemplated by this paragraph shall only apply and shall only be provided to those Producers not currently contracted with BFLIC. The Compensation Schedule for Producers currently contracted with BFLIC shall be governed by paragraph 4 of this Agreement.

From time to time, Company, in its sole discretion, may increase premiums charged to its insureds. Producer shall not be entitled to Compensation on any such premium increases for business/policies sold prior to the premium increase.

4. **COMPENSATION FOR EXISTING BFLIC PRODUCERS.** This paragraph shall apply to those Producers currently contracted with BFLIC ("Existing BFLIC Producer") who elect to enter into this Agreement with BFLIC, BFAC or both . Upon execution of this Agreement by an Existing BFLIC Producer, the Existing BFLIC Producer's existing agreement/contract with BFLIC shall terminate and the relationship, rights and obligations between the Existing BFLIC Producer and the Company shall be governed by this Agreement. Provided, however, that Compensation due to the Existing BFLIC Producer on any business written prior to the execution of this Agreement shall be governed by paragraph 22 of this Agreement. With respect to Existing BFLIC Producers, Compensation shall be calculated pursuant to the terms of paragraph 3 of this Agreement. However, the Compensation Schedule referenced in paragraph 3 of this Agreement shall be the same compensation schedule existing under the Existing BFLIC Producer's prior contract/agreement with BFLIC which compensation schedule is specifically incorporated herein by reference and shall apply to both BFLIC and BFAC products/business sold/written under this Agreement.
5. **VESTING.** Except as otherwise provided herein, Compensation on the First year, renewal and override commissions shall be fully vested, until termination, surrender, cancellation or lapse of the policy and shall be payable according to the terms of the Compensation Schedule to the Producer, Producer's heirs, executors, administrators, trustees, successors, assigns, agents, sub-agents, employees and/or affiliates, as the case may be until such time as Producer's vesting rights are terminated as stated herein. The vesting and service rights of this paragraph are subject to termination upon Compensation derived from Producer 's renewal commissions decreasing to a monthly level of fifty dollars (\$50.00) or less for three (3) consecutive months, in which case the vesting of this Agreement shall be deemed to be automatically terminated on the last day of the third consecutive calendar month in which the above described minimum level was not maintained ("Deficient Commissions Termination"). Producer's vesting rights shall also be terminated immediately upon termination of this Agreement with cause ("For Cause Termination"). In order to resume writing policies for the Company the Producer must enter into a new agreement with the Company. In the event of a Deficient Commission Termination or a For Cause Termination and Producer thereafter enters into a new Agreement with the Company, Producer shall not be entitled to any vesting rights and/or commissions on any Policy or business written prior to the Deficient Commission Termination or the For Cause Termination.
6. **REFUNDS.**
 - A. In the event the Company shall, either during the continuance of this Agreement or after its termination, refund premiums under any policy except as policy benefits, the Producer shall forfeit all right to Compensation on said policy and shall immediately return to the Company any Compensation paid attributable to the premium refunded. Alternatively, the Company may, in its sole and absolute discretion, deduct compensation earned attributable to the refunded premium, from any future Compensation due Producer. This paragraph shall survive the termination of this Agreement.
 - B. If, during the first policy year and for any reason it becomes necessary for the Company to refund premium paid by the Insured on the Modified Death Benefits Plan, the Company shall charge Compensation based upon the entire first year earned commission against any other Compensation owed Producer. This paragraph shall survive the termination of this Agreement.
7. **SUPPLIES AND MATERIALS.** Any policy forms and other Company supplies or materials furnished by the Company to the Producer or approved by the Company to be used by the Producer shall always remain the property of the Company and shall be accounted for and returned by the Producer to the Company on demand during the term of this Agreement, and immediately returned without demand upon termination of this Agreement. Alternatively, the Company, in its sole and absolute discretion, may permit Producer to destroy all supplies and materials upon termination of this Agreement. If requested, Producer shall provide proof satisfactory to Company that such destruction has occurred. This provision shall survive termination of this Agreement.
8. **LICENSES AND EXPENSES.**
 - A. The Producer shall be responsible for and shall maintain at Producer's own expense, all appropriate licenses or other required approval(s) to perform Producer's duties hereunder.
 - B. The Producer and not the Company shall be responsible for Producer's operational expenses such as rent, transportation, facilities, clerk hire, solicitor's fees, postage, telegrams, telephone, expressage, advertising exchange, or any other expenses whatsoever connected with the performance of Producer's duties hereunder.
 - C. The Producer shall furnish, where required by law, bond in an amount and surety satisfactory to the Company for purposes of assuring the discharge and performance of all Producer's duties and obligations hereunder.
9. **ASSIGNMENT.** No assignment of any right or obligations hereunder made by Producer shall be binding upon the Company unless agreed to in writing by the Company and accepted at the Home Office of the Company by an authorized officer at Company's sole discretion. Any assignment by Producer not made in accordance with this provision shall be null and void. In the event Producer assigns all or any part of any Compensation to be paid hereunder pursuant to this paragraph Producer hereby consents to the payment of any such Compensation so assigned directly to Producer's assignee, with Producer receiving only the remaining portion due, if any, of said assigned Compensation. Further, if Producer assigns any such Compensation hereunder pursuant to this paragraph, Producer shall immediately notify Company regarding the nature and extent of such assignment and the address of the assignee. Further, Producer shall be responsible for the payment of any unpaid amounts and/or uncollected balances due the Company from any of Producer's agents, sub-agents, employees, assigns and/or affiliates.

10. **ADVERTISING.** The Company, prior to its use or publication, must approve in writing any and all written, oral or electronic communication of any nature that is designed to induce someone to purchase or retain insurance products of the Company. The failure to obtain such prior written approval shall be grounds for immediate termination of this Agreement, with cause. Producer shall only use Company's authorized material in the solicitation of applications for Company's products, all of which shall be returned or destroyed pursuant to paragraph 7 of this Agreement. Producer agrees that Company's trademarks, service marks, trade names and trade dresses (collectively "Trademarks"), and all original works of authorship and all copyrights therein are protected by federal and state law in the United States and are the exclusive property of Company. Producer understands and agrees that Producer cannot and shall not use such Trademarks in any manner whatsoever, or copy, reproduce, distribute, display, perform, or prepare derivative works of Company's original works of authorship without the express written permission of Company. Nothing in this Agreement shall be construed to grant Producer any right, title, or interest, either express or implied, in or to any of Company's trademarks, works of authorship, or copyrights. Producer agrees that any unauthorized use of Company's Trademarks by Producer or copy, reproduction, distribution, display, performance or preparation of derivative works of Company's original works of authorship, constitute an infringement of Company's Trademarks and/or copyrights respectively and May entitle Company to injunctive and/or monetary relief. Company's Trademarks include, but are not limited to, the following: Bankers Fidelity®, Bankers Fidelity Life®, Bankers Fidelity Life Insurance Company®, ADDS®, Senior Security®, Senior Security Series®, BFAC™.
11. **INDEBTEDNESS AND SECURITY AGREEMENT.** From time to time, and at the Company's sole and absolute discretion, Company may loan money to the Producer in the form of a Compensation advance. Further, in the event Company does loan money to the Producer, Producer shall grant Company a first priority security interest in all of Producer's or other such collateral or security as requested by Company. In that event, Producer agrees to execute those documents requested by Company so as to perfect its security interest. Any such loan and security interest shall be made pursuant to and in accordance with a separate agreement entitled "ADVANCE COMPENSATION AND LOAN AGREEMENT." Further, Producer shall not be eligible for a loan from Company until such time as: (i) Company has approved said loan; and (ii) Producer has delivered to Company a duly executed Advance Compensation and Loan Agreement. Company shall have the right, in its sole and absolute discretion, to discontinue advances at any time, and to receive full payment of same upon demand. This provision shall survive termination of this Agreement.
- Producer agrees he shall not pledge, offer as security or collateral nor otherwise encumber any of the commissions, monies or other Compensation due or to become due under this Agreement without the written permission of Company which permission shall be in Company's sole and absolute discretion.
12. **EXTRA PREMIUMS.** Compensation may be payable on permanent and extra premiums charged by the Company because of an insured's occupation or other impairment. The premium shall be considered as all other premium and the commission payment for same shall be calculated pursuant to the attached Compensation Schedule.
13. **CONVERSIONS.** Notwithstanding the Compensation Schedule, Compensation on any individual policy conversion (excluding group insurance) shall be paid as follows:
- A. Original date conversions. The Compensation on a policy converted from a term policy to an ordinary whole life policy whereby the conversion is deemed effective as of the original effective date of the term policy shall be as follows: The premiums and resulting Compensation due, accrued and previously paid on the term policy shall be calculated from its effective date (hereinafter "the Term Policy Compensation"). The premiums and the resulting Compensation which would have been due, accrued or previously paid on the term policy had it been a whole life policy initially shall be calculated from the initial effective date of the term policy ((hereinafter "the Whole Life Policy Compensation"). Compensation on the converted policy shall be the difference between the Term Policy Compensation and the Whole Life Policy Compensation, if any.
- B. Attained age conversion. Compensation on conversions at the attained age of the Insured shall be payable as if the policy were a new policy issued at the attained age of the Insured subject to the following reduction: where the date of conversion is less than one year from the date of the converted policy's original issuance or the rider effective date, the Compensation shall be reduced by the Compensation previously paid or accrued on the converted policy or rider;
14. **REPLACEMENTS.** The Company reserves the right to not pay Compensation and/or terminate the Agreement of a Producer who issues or attempts to have issued:
- A. any policy similar to a former policy issued by the Company on the same Insured which former policy has been terminated, lapsed, cancelled or surrendered within one year prior to the date of the application for the new policy; whether the new policy is with Bankers Fidelity or another insurance company; or
- B. any new policy which, in the sole judgment of the Company takes or is to take the place of other insurance on the same person.
15. **ADDITIONAL BENEFITS.** Compensation on premium paid for additional benefits not included in the Compensation Schedule hereof shall be payable at the same rate as the policy for which they are a part, unless otherwise specified in writing by the Company.
16. **TWISTING.** The Company reserves the right in its sole and absolute discretion to withhold for its own benefit all Compensation otherwise owed or to be owed to Producer who, during the term of this Agreement, actively solicits, induces or attempts to induce any policyholder of the Company to relinquish, cancel, surrender or lapse said policyholder's policy.
17. **WITHHOLDING PREMIUMS.** Failure of the Producer to pay and/or remit premiums to the Company as required herein shall result in the immediate termination of this Agreement and forfeiture of any Compensation which is payable or which would otherwise accrue hereunder.

18. TERMINATION OF AGREEMENT.

- A. This Agreement may be terminated at any time by the Producer or the Company, without cause, upon thirty (30) days written notice of termination being sent by either party to the other in the following manner: either by (i) U. S. Mail, First Class to the party's last known mailing address; (ii) facsimile transmission; or (iii) electronic mail.
- B. This Agreement will terminate immediately upon Producer's loss or suspension of licenses or other credentials necessary to perform Producer's duties hereunder, without cause.
- C. This Agreement will terminate immediately, subject to Paragraph 4, upon the death or the total and permanent disability of the Producer. After the death or permanent disability of Producer, Compensation will be paid to the Producer's estate or Producer, as the case may be, as they come due, subject however to: (i) the Vesting Clause; and, (ii) the repayment of all indebtedness due Company by Producer; and, (iii) all other provisions of this Agreement.
- D. This Agreement may be terminated immediately for failure of the Producer to notify the Home Office in writing within sixty (60) days of any change of address or telephone number. A returned envelope for address correction will constitute failure of compliance with this provision.
- E. This Agreement will terminate immediately upon Producer breaching any of the terms and conditions contained herein or engaging in any conduct which in the Company's sole and absolute discretion, is detrimental to the Company and/or its business. In such instance the Company may, in its sole and absolute discretion, withhold any Compensation otherwise due or to become due.
- F. Upon termination of this Agreement, for any reason, all business on which Compensation is due or is to become due and which has been transacted by Producer shall be consolidated and accounted for under a single agent number.

19. VENUE AND JURISDICTION. In any action, suit or other proceedings, including non-contractual disputes, venue shall exclusively be in DeKalb County, Georgia and both parties waive any other venue unless agreed to in advance in writing by the parties. Producer hereby consents to and subjects Producer to the exclusive jurisdiction of courts in DeKalb County, Georgia.

20. POST-TERMINATION ACTIVITY. In consideration and receipt of Company trade secrets, business methods and procedures which are the property of the Company and which enable the Company to compete successfully in its business, Producer agrees that for a period of two (2) years following termination of this Agreement for any reason, Producer shall not solicit, or attempt to solicit, directly or by assisting others any business from any of Company's policy owners, including actively seeking prospective policy owners, with whom Producer had material contact during Producer's agency for purposes of providing products or services that are competitive with those provided by Bankers.

Producer agrees that any violation of the above-referenced covenant not to solicit Company's policyholders, may result in the cessation and termination immediately of all Compensation, commissions, fees, payment, or other enumeration to which Producer is or may be entitled whether vested or not. Breach of this provision shall also entitle the Company to injunctive relief. Producer hereby waives the right to contest the bringing or the granting of said injunctive relief, and Producer further agrees that Producer shall be liable for the Company's reasonable attorneys' fees and court costs in the event the Company employs any attorney and files a legal or equitable action to enjoin such violation of these provisions of the Agreement and/or to seek any and all remedies available hereunder or at law.

In any successful action by the Company to enforce the above-referenced covenant, Producer shall be liable in addition to the above, for liquidated damages in an amount equal to 60 percent of the annualized first year premium of each Company policy which lapsed, surrendered, terminated, cancelled or was replaced as a result of Producer's violation of said covenant. Producer acknowledges that should he violate any of the provisions of this paragraph, the damage to Company would be difficult or impossible of estimation. Hence, Producer agrees that the 60 percent figure referenced above is a reasonable pre-estimate of the probable loss to Company and does not constitute a penalty.

21. COMPLIANCE WITH LAWS. The Producer shall comply with all statutes, rules, regulations and laws of every nature, both state and federal, relating to the prohibition on the dissemination of any personal, financial and/or health related information of any former, current or prospective policyholder of Company, including, without limitation strict adherence to the provision of the Gramm-Leach-Bliley Privacy Act, 15 U.S.C. § 6801 et seq. Further, and in addition to all other requirements set forth herein, the Producer shall not provide any other insurance carrier with information of any nature which the Producer has obtained from a prospective policyholder without the written consent of said policyholder. Producer shall comply with all applicable anti-money launderings laws, regulations, rules and government guidance, including the reporting, record-keeping and compliance requirements of the Bank Secrecy Act (BSA), as amended by the USA PATRIOT Act. The Company may, in its sole and absolute discretion, require Producer to complete to Company's satisfaction an Anti-Money Laundering Program of Company's choosing. The cost of such program shall be borne by Producer.

22. PRIOR AGREEMENTS. This Agreement replaces and terminates all other agreements between the Producer and Company, except that all first year and renewal commissions on business written under any prior agreement will be paid in accordance with the provision of that agreement, paragraph 4 of this Agreement notwithstanding. Further, and notwithstanding the aforesaid, any and all obligations of Producer to Company under any prior agreement(s), including, without limitation, Producer's obligation to pay any amounts due Company by Producer under any said prior agreement(s), shall be merged into this Agreement, and all said amounts due Company by Producer shall be due and payable in accordance with the terms and provisions of this Agreement.

23. **MISCELLANEOUS.** This Agreement, including the attached schedules, constitutes the entire agreement between the parties. Except as set forth herein, it may only be modified, amended, or altered in writing, signed by the parties hereto. Headings of the Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby. The failure of the Company to demand strict compliance of the Producer with the terms hereof shall not constitute a waiver of the Company's right to subsequently require strict compliance with the terms of this Agreement. This Agreement shall be governed by and construed under the laws of the State of Georgia.
24. **DAMAGES, ATTORNEYS' FEES AND COSTS.** Producer shall indemnify, hold harmless and defend Company from and against any and all damages, losses, claims, demands, suits, actions, expenses and liabilities of any nature, including, without limitation, reasonable attorneys' fees and court costs, which arise out of, involve or relate to Producer's breach of this Agreement and/or any actions by Producer, Producer's agents, sub-agents, employees, successors, assigns and/or affiliates, which cause Company to incur damages of any nature, including attorneys' fees.
25. **NOTICES.** For purpose of this Agreement, the addresses and phone numbers of the parties are as follows:

If to Company:

Bankers Fidelity Life Insurance Company
 (or)
 Bankers Fidelity Assurance Company
 P. O. Box 105185, Atlanta, Georgia 30348-5185
 Attn: Agency Dept.-Licensing & Contracting

 404-266-5600

If to: Producer:

 (Print Name)

 (Street Address)

 (City, State, Zip)

 (Telephone No.)

PERSONAL GUARANTY

The undersigned hereby personally guarantee(s) all obligations and indebtedness of Producer under the foregoing Agreement.

 (Signature)

 (Signature)

 (Printed Name)

 (Printed Name)



- Bankers Fidelity Life Insurance Company®
 - Bankers Fidelity Assurance Company™
- Producer Commissions**

DIRECT DEPOSIT AUTHORIZATION AGREEMENT

I authorize Bankers Fidelity Life Insurance Company® and/or Bankers Fidelity Assurance Company, hereinafter the Company to deposit the entire amount of my commission check into the account indicated below. Additionally, if errors occur, I authorize correcting entries to my account indicated below. This agreement shall remain in force until terminated by either party.			
Financial Institution Name, City & State	Transit Routing Number	Account Number	Type of Account <input type="checkbox"/> Checking <input type="checkbox"/> Savings
Printed Name as Signed on Account		Bankers Fidelity Producer Writing Numbers	
Signature			
Date	Social Security No. / Tax ID No.		
NOTE: Please verify the routing number and account number with your financial institution. A voided check must be submitted with this authorization form.			

GENERAL INFORMATION

To participate in our Producers Commission Direct Depositing Program, please complete the authorization form above and return it to the Agency Department. To properly effect the process, you must submit a voided check with your authorization. Deposit slips *cannot* be accepted in lieu of a voided check. Those individuals requesting deposit into savings accounts must contact their financial institution customer service representative to obtain ACH deposit information to be submitted with their authorization form.

Once you submit your authorization agreement, we will verify all deposit information with a pre-notification to your financial institution when we send your check. Direct depositing of your commission check will begin within 30 days following the pre-note provided everything is coded correctly.

Once service has begun and you change banks or bank account numbers, you must submit a new authorization agreement and a new voided check. As with establishment of new service, another pre-note is required. Faxes of change information will be accepted.

Either the Company or you may terminate this agreement by providing a written notice by either party to the other. All cancellations should be submitted to the Agency Department in the Home Office. Faxes are acceptable when you are stopping your direct deposit and can be sent to 404-926-4029.

Completed form and void check can be faxed to 404-926-4029 or email bflagency2@bflif.com.