



Contracting Agreement

National Guardian Life Insurance Company • PO Box 1191 • Madison WI 53701-1191
contracting@nglic.com • Fax 608.443.5042 • www.nglic.com

Agent Initials _____

General Powers, Relationship and Duties

1. Appointment and Authority. The undersigned producer (means and referred to as You or Your) is appointed as a Producer of National Guardian Life Insurance Company (means and referred to as NGL, We, Us or Our) and is permitted to solicit applications for those plans of insurance authorized by Us. You agree to procure, renew and maintain any resident and/or non-resident licenses and appointments that any State may require for soliciting applications for Our products.

2. Independent Contractor Status. You and We agree that You are an independent contractor and that nothing contained in this Contracting Agreement (referred to as "Agreement") shall be construed to create the relationship of employer or employee between Us and You. You will not be treated by Us as an employee for federal or state tax purposes and We will furnish You with an annual information return (1099-MISC), as applicable per current IRS guidelines. You are free to exercise your own judgment, including the time, place and persons from whom You solicit applications for insurance.

3. Business Conduct. Your authority to represent Us is contingent on Your conforming to all rules and guidelines as may be stated in this Agreement, Our compliance manual or any other materials (the 'Company Rules') We provide to You. In addition, You agree to comply with all federal, state or local laws, rules and regulations (the 'Laws and Regulations') where You are doing business. You agree to aid in the care and conservation of Our insurance business and provide prompt service to Our policyowners. You also agree to complete all NGL required training and to appropriately train and supervise Your Producers and Employees and ensure that they comply with all Company Rules and the Laws and Regulations. You agree to report to Us any suspicious or fraudulent activity on the part of Your Producers and Employees. 'Employees' shall include, without limitation, any officer, director, employee, subcontractor, or other person authorized to act on Your behalf. Your Producers means all individuals or entities that generate commissions to You, whether or not expressly agreed to by You in writing. If required by Us for the products you market, You agree to maintain errors and omissions coverage, in an amount specified by Us, throughout the term of this Agreement and to provide proof of said coverage to Us upon request. You are a Managing Producer if you receive commissions from Us for insurance sold by Your Producers and as Managing Producer have certain obligations as set forth within this Agreement.

4. Marketing. You agree that no territory is exclusively assigned to You and that We may withdraw from any territory. You also agree that We can change, modify or discontinue any policy or rider. In addition, You agree that policyowners are considered Our policyowners and We reserve all rights regarding control, service and distribution of the policyowners. You agree to secure Our written permission before advertising or displaying Company name, logo, products or any materials referring to Us in any form or through any media.

5. Privacy. You agree that all nonpublic personal financial information, nonpublic personal health information, personally identifiable information and credit card cardholder data related to any insured or policyowner or to any consumer or customer (as such terms are defined under applicable state or federal privacy laws) of Us or any of Our affiliates, obtained by You in the performance of Your duties and obligations under this Agreement shall be held in the strictest confidence by You, Your Producers and Employees. You shall not disclose or use such information or data except as necessary to carry out Your duties and obligations under this Agreement or as otherwise required under applicable state or federal law. You acknowledge that You are responsible for the security of all such information and data.

6. Legal Proceedings. Any document that has been served upon You in connection with any legal proceedings involving Us must be transmitted to the Home Office by registered mail within 24 hours after receipt. You will be liable to Us for any loss or expense We incur resulting from Your failure to comply with this requirement. You hereby represent and agree that this Agreement is contingent on Your continuing representation that You have not been convicted and, to the best of Your knowledge, that none of Your Producers or Employees have ever been convicted of any state or federal felony involving dishonesty or a breach of trust or any crime under 18 U.S.C. § 1033, unless You obtained the prior written consent of the insurance regulatory official possessing regulatory authority over You. You agree to notify Us immediately in writing of any charges or actions brought in any court or by any regulatory body against You, Your Producers or Employees and of any felony conviction(s) of You, Your Producers or Employees. Failure to comply with any of the provisions of this section shall be cause for immediate termination of this Agreement.

7. Records. We shall have the right, but not the obligation, at all reasonable times to inspect Your papers, documents and records, wherever located, which relate to Our business. All papers, documents and records of any sort relating to applications for insurance, existing policies, claims for benefits or inquiries from regulatory authorities must be promptly submitted to Us. You agree to retain all such papers, documents and records for such time as prescribed by the applicable state law. All supplies, computer software and any other indicia of agency must be returned to Us upon demand.



8. Collection of Premiums. You may not collect any money on Our behalf except for the initial premium. You agree to be responsible for and to remit promptly, or within the time required by Your state, to Us, all monies collected and to hold all monies in trust for Us, not subject to any offset by You and not to be commingled with Your personal funds.

Compensation

9. Compensation. If You have an arrangement with Your Managing Producer to compensate you directly, You acknowledge that You have no right to commissions from Us for any sales You produce for Us. If You do not have such an arrangement or if We permit You to solicit applications after termination of Your arrangement for compensation direct from Your Managing Producer, You are entitled to compensation in accordance with the Commission Schedules(s) provided to You on business written by You or Your producers. The commissions specified in the Commission Schedule(s) shall constitute the total commissions which can be earned by You and Your producers. You agree that We have the right to reject any application and that commissions are not due on such applications. In addition, You agree that commissions on policies not listed on the Commission Schedules(s) shall be determined in each case by Us. We reserve the right to change the Commission Schedule(s) at any time for policies written thereafter.

10. Unearned Compensation. If you receive commissions from Us, You agree that commissions are subject to chargebacks as set out in the Commission Schedule(s). In addition, if We return premium at any time for any reason, You agree that You are not entitled to commissions based on those premiums and any such commissions paid to You are a debt due Us. We reserve the right to audit commission payments made to You at any time during the term of this Agreement and We may make adjustments to correct any errors found in the audit. You agree that We shall have the right to establish a commission reserve account in Your name at any time and use any amount in Your commission reserve account to offset any indebtedness You owe to NGL. We have the right to change the amount required and the terms of Your reserve account at any time.

11. Vesting Of Commissions. If You receive commissions from Us, You agree that, if this Agreement terminates for any reason, first year commissions are 100% vested, subject to the following provisions:

- a. Any time Your total compensation from Us during a calendar year is less than \$1,000, We may, at Our option, pay You a single lump sum equal to 100% of that year's compensation as full payment in lieu of future vested commissions.
- b. In the event of Your death, compensation payable to You under this Agreement will be paid to Your assigns, if any, otherwise to Your surviving spouse and to Your surviving spouse's estate thereafter. If You die leaving no assigns or spouse, such compensation will be paid to Your estate.
- c. Unless all debts are fully repaid by You within sixty (60) days from the date such debts are due, We may immediately terminate Your rights to any unpaid, vested commissions.
- d. If You are terminated for cause or shall fail to conform to the terms and conditions of this Agreement or any other agreement with Us, We may immediately terminate Your rights to any unpaid vested commissions.

12. Indebtedness. Any indebtedness or debt of Yours or Your Producers to Us shall be a first lien against any monies payable hereunder or from any other source and may be deducted from such monies at any time. If not collected by Us through the deduction of monies payable, all such indebtedness shall be paid to Us immediately upon demand along with any applicable collection costs, attorney's fees and interest thereon and thereafter at the then current prime rate plus 5%. You also agree that You remain liable to reimburse Your Managing Producer, agency or other entity to whom You generate commissions for the full amount of any chargebacks due and owing to Us under this Agreement which such Managing Producer, agency or entity has paid on Your behalf.

Limits Of Authority, Termination and Other Provisions

13. Limits of Authority. You agree that this Agreement does not give You the authority to:

- a. Make, alter or discharge a contract for Us, set special rates, waive policy provisions, guarantee dividends, bind Us in any way or commit Us to any actions outside of the policy provisions, make any endorsement to any policy We have issued or extend the time for payment of premiums.
- b. Publish or distribute advertising relating to Us and Our products unless it has been approved in writing by Us in advance.
- c. Assign or transfer any right or interest in this Agreement without obtaining Our written consent in advance.
- d. Waive a complete answer to any question in the application, pass on insurability or accept any underwriting information on Our behalf unless it is specifically entered in Our application forms.
- e. Solicit applications in any state or for any products for which You are not duly licensed and appointed.
- f. Collect the initial premium or deliver any policy not paid for unless the named Insured is at the time of delivery in insurable condition.
- g. Make any outbound calls or send any outbound texts or faxes for the purpose of marketing Our products, unless You are in complete compliance with all applicable federal or state laws, regulations and do-not-call lists, including but not limited to the Telephone Consumer Protection Act of 1991. Notwithstanding the foregoing, You may not send any mass or automated text messages, or make any outbound calls using an automated telephone dialing device or use prerecorded or artificial voice messages on Our behalf.

14. Termination. This Agreement may be ended by either party at any time without cause upon advance written notice to the other party. The notice shall be the greater of ten (10) days or the time required by Your state of domicile. This Agreement shall be terminable for cause immediately by written notice to the other party. Cause includes, but shall not be limited to, misrepresentation by You of any information in this Agreement or failure to comply with Our Company Rules, applicable Laws or Regulations.

15. Indemnification. You agree to indemnify, defend and hold Us harmless against all liability, damages, losses and expenses, including attorney's fees and all costs and expenses allowed by law, arising as a result of Your or Your Producers' errors or omissions in the preparation, processing or handling of business placed by You or Your Producers with Us, Your or Your Producers' actual or alleged failure to comply with the requirements of federal or state privacy laws, the Telephone Consumer Protection Act, or any other

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law or regulation, and any other action or inaction by You or Your Producers, including without limitation, Your improper use of forms supplied by Us or Your failure to follow instructions or procedures established by Us.

16. Survival. Those provisions which by their nature and reasonable intent would be deemed to survive termination or cancellation of this Agreement shall do so, including but not limited to provisions 5, 10, 11, 12, 15 and 18.

17. Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin without regard to the choice of law rules of Wisconsin. You hereby submit to the jurisdiction of courts located within the State of Wisconsin and any other state in which a Managing Producer who is financially responsible to Us for Your indebtedness is located.

18. Additional Provisions. Our failure to insist upon strict performance of any provisions in this Agreement will not be construed as a waiver of such provisions. This Agreement replaces all agreements, written or oral, between You and Us relating to the same or similar subject matter. This Agreement is not binding on You until signed by You and is not binding on Us until received by Us at Our Home Office. In the event that any provision or clause in this Agreement is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired. You agree that this Agreement may be amended by Us upon thirty days advance written notice and that You will be deemed to have accepted such amendments unless You object to Us in writing within fifteen days from Our transmission or mailing date.

Demographic Data:

Provide Producer Number & tax earnings (if applicable) to: Individual (default) Entity Both

Name: _____

Gender: Male Female Social Security Number: _____ Date of Birth: _____

Agency Name (Required if contracting entity): _____

Tax ID Number (Required if contracting entity): _____

Business Address: _____

City: _____ State: _____ Zip: _____

Resident Address: _____

City: _____ State: _____ Zip: _____

(Please check the primary phone number you wish to be reached at)

Business Phone: _____ Cell Phone: _____

Fax Number: _____ Resident Phone: _____

Email: _____

Background: (Please explain, including dates, any "yes" answers on a separate sheet)

Complaint filed against you with an Insurance Department:	<input type="checkbox"/> Yes	State? _____	<input type="checkbox"/> No
Filed Bankruptcy:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Judgment in last seven years:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Felony conviction or violation of 18 U.S.C. § 1033:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Been bonded and had a claim against a bond due to your actions:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Applied for a bond and been refused:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Had a license refused/suspended/revoked, currently restricted or under investigation:	<input type="checkbox"/> Yes		<input type="checkbox"/> No
Indebted to any Insurance Company/Agency/Manager:	<input type="checkbox"/> Yes		<input type="checkbox"/> No

Direct Deposit: Please complete the information below or a check will be mailed bi-weekly (If applicable)

Bank Name: _____ Checking Savings
(Attach a voided check. No deposit slips please.)

Commission payment frequency (Default is bi-weekly): Daily Weekly Bi-Weekly Monthly

Routing # (Lower left hand corner of check): _____

Account # (Lower middle of check): _____



Reserve Account Authorization:

As a condition of Your representation of NGL, You authorize NGL to reduce commissions under all producer codes by placing the following percentages of Your commission into a Reserve Account.

Single Pay _____ % Direct Bill _____ % EFT _____ %
 Credit Card _____ % Renewal _____ %
 \$ _____ Minimum Amount \$ _____ Maximum Amount

You agree that NGL may reduce Your commissions by the percent shown above until Your reserve account reaches the Maximum Amount. Any time Your Reserve Account falls below the Maximum Amount, NGL will resume commission reductions. You acknowledge that NGL is treating amounts placed in Your Reserve Account as unearned pre-tax commissions that will not earn interest and will not be considered earned until paid to You. You authorize the release of all information concerning Your Reserve Account to any of Your Managing Producers.

Your Reserve Account will be used by NGL to offset commission chargebacks or other unrecovered advances made to You or any of Your Producers for any affiliate or subsidiary of NGL. Your Reserve Account will not normally be used for commission reversals due to premium refunds or policy cancellations. If a chargeback or other unrecovered advance would reduce Your Reserve Account below the Minimum Amount, NGL will reduce Your current compensation unrecovered by the Reserve Account offset. NGL may continue to hold Your Reserve Account during any chargeback period (normally thirteen months) after termination of Your Agreement.

Notwithstanding the above, NGL, at its sole discretion, may use Your Reserve Account to offset any indebtedness owed to NGL by You or Your Producers. NGL retains the right to change the terms, conditions and amounts of Your Reserve Account at any time with or without notice to You.

General Authorization and Release:

I hereby authorize National Guardian Life Insurance Company (NGL) to contact any past employer, business associate, business partner, military service, court, law enforcement agency, insurance company, financial institution, or any other person or entity to obtain information about my background, employment, schooling, business activities and experience, character, criminal record, or financial status.

I hereby authorize any of the above persons, institutions, or entities to provide the above information to NGL and waive and release any claims I may have related to the providing of such information. I also authorize them to rely on a photocopy or facsimile copy of this authorization.

I also acknowledge that NGL may participate in programs which provide background and financial information on insurance agencies, agents or producers, including debit balances. I authorize NGL to obtain information about me personally and/or my entity (if applicable) from these programs and to share any information obtained from other sources with these programs. I also waive and release any claims I may have related to the sharing of such information by NGL or the programs in which NGL participates.

This authorization is continuing and remains in effect until revoked by me in a writing delivered to an officer of NGL.

Fair Credit Reporting Act Consumer Disclosure:

National Guardian Life Insurance Company (NGL), when making a decision to offer You a producer Agreement or to continue an Agreement, may obtain and use a "consumer report" from a "consumer reporting agency." These terms are defined in the Fair Credit Reporting Act as amended, 15 U.S.C. § 1681 et seq. ("FCRA").

A "consumer reporting agency" is defined in the FCRA as a person or business that, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to others.

A "consumer report" is defined by FCRA as including any written, oral or other communication of any information by a "consumer reporting agency" bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in employment-related decisions affecting a consumer.

As an individual with an interest in a relationship as a producer with NGL, You are a "consumer" with rights under the FCRA. If NGL obtains a "consumer report" about You and if NGL considers any information in the consumer report when making a decision that adversely affects You, You will be provided with a copy of the "consumer report" before the decision becomes final. You may also contact the Federal Trade Commission about Your rights under the FCRA.




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Authorization to Obtain Consumer Reports:

Further, by signing below, I hereby voluntarily authorize NGL to obtain "consumer reports" about me from a "consumer reporting agency," as those terms are defined in the Fair Credit Reporting Act as amended, 15 U.S.C. § 1681 et seq., and to consider the "consumer reports" when making decisions for any producer status purpose with NGL. I understand that I have rights under the Fair Credit Reporting Act, including the rights discussed in the separate disclosure statement provided to me. I hereby authorize NGL to obtain such reports. I also hereby acknowledge receipt of the Fair Credit Reporting Act Consumer Disclosure.

By signing below, I agree that I am bound by all the terms and conditions of this Agreement. I have read, understand and agree to abide by NGL's Company Rules, including the NGL Compliance Manual, and also agree to comply with all applicable Laws or Regulations. In the event that an Agency Name is completed above, I represent that I have the authority to enter into this Agreement on its behalf and that my signature set forth below is intended to bind both the Agency and myself, personally, to the obligations set forth herein.

Signature of Producer: _____  Date: _____

By signing as Managing Producer, I agree to be responsible for the conduct of, debt incurred by, and practices, training and oversight of the Producer set forth above.

Printed Name of Managing Producer: _____

Managing Producer Number: _____

Acknowledged by Managing Producer: _____ Date: _____



NGL Advance Selection

After reading the Annualization Plan Supplement Agreement found on the Commission Schedule page, please select from the following options and sign below.

- 6 month advance
- 3 month advance
- No, I would like to be paid As Earned.



SIGN HERE

Signature

Date