



Contracting Checklist for Gerber Life

In order to complete the contracting process, please closely follow the checklist below. Each question **MUST BE ANSWERED** on all forms including correspondence to 'yes' answered background questions. If a question does not apply to you, place the abbreviation "N/A" in the blank.

- Signed and Completed Producer Information and Questionnaire
- Signed and Completed Fair Credit Reporting Act Disclosure to Consumers and Background Investigation Consent Form
- Completed and Signed Fair Credit Producer Short Form
- Completed and Signed General Agency Agreement
- Completed and Signed Vendor Information Form
- Signed Advanced Agreement (*Optional*)
- Send a copy of your Current License for all states you wish to be appointed
- Completed and Signed ACH Direct Deposit Form with Voided Check
- W-9 Completed Form
- Signed Compliance Policy Statement of Understanding
- If you wish to be appointed in the name of a corporation, please include a copy of your license in the name (*additional forms may be required*)

Send the above information to SMiG:

By Email: contracts@smig-inc.com

By Fax: 314-685-8013

By Mail: Senior Marketing Insurance Group
712 N 2nd St, Suite 310
Saint Louis, MO, 63102

The licensing process cannot begin until all of the above items have been received!!! If you have any questions, please call us at: **866-345-0109**.



General Agency Contracting Package

For New Agent Appointments:

- Producer Information Questionnaire (PIQ)
 - If 'yes' response under Background Experience, provide written explanation and supporting documents
 - For email address, provide agent's business email
- FCRA Form

For Agents Already Appointed with Gerber Life in the state(s) where business will be transacted:

- Producer Short Form (PSF)

If agent will be receiving commission payment directly from Gerber Life, these documents are also needed:

- General Agency Agreement
 - Print, sign and send to Gerber Life
- Vendor Form
- W-9
- ACH Form - Required if prefer direct deposit of payment
- Compliance Statement of Understanding (p.15) from the Agent Compliance Manual

Please Note: If a currently appointed agent is requesting appointment in a new state, a new PIQ and FCRA form are required.

Please follow your Marketing Office procedures for submitting documents to Gerber Life.



Gerber Life Insurance Company
 1311 Mamaroneck Avenue, Suite 350, White Plains, NY 10605
 www.gerberlife.com

Gerber Life Insurance Company (“Gerber Life”) Producer Information Questionnaire

(Please print clearly and complete all questions, where applicable)

Insurance Producer Name: _____

Citizen of U.S.: Yes No (If no, please provide proof of eligibility to work in the U.S.) Date of Birth: _____

Social Security Number: _____ Home Phone: _____

Home Address: _____
(Must be a street address)

Business Entity Name: _____ Tax ID#: _____

Business Address: _____
(Must be a street address)

Business Phone: _____ Business Fax: _____

Indicate with an x, which address is to be used for mailing purposes: Home Address Business Address

Email Address: _____

(NOTE: By providing your e-mail address and/or fax number and/or engaging in electronic communications, you are consenting to engaging in electronic communications with Gerber Life, unless such consent is expressly revoked).

License information:

Enclose a clear and current license for each state where you seek to be appointed by Gerber Life.

Florida non-resident producers, list each county where you propose to sell insurance: _____
(Attach a separate sheet, if necessary)

Errors and Omissions Insurance Information:

E&O coverage is with _____ (Carrier Name), with Limits of \$ _____
 and a \$ _____ Deductible. I will promptly notify Gerber Life of any cancellation or modification of coverage.

(NOTE: Your signature on this Questionnaire affirms your agreement to maintain Errors & Omissions insurance covering the sales and service of Gerber Life insurance policies.

Background Experience: (Please read and answer each question carefully.)

- 1) Have you ever been fined, suspended, placed on probation or had a license revoked, paid administrative penalties, entered into a consent order, been issued a restricted license or otherwise been disciplined or reprimanded, or are you currently under investigation by any insurance department, FINRA, the SEC or any other regulatory authority? Yes No
- 2) Have you ever been convicted or plead guilty or nolo contendere (no contest) in connection with any offense, served any probation, paid any fines or court costs, for any offense other than a minor traffic violation? Yes No
- 3) Have you ever been short in account with any insurance company or employer? Yes No
- 4) Have you ever had an application for bond declined? Yes No
- 5) Have you ever filed for bankruptcy? Yes No

(Provide a separate document with a written explanation and applicable supporting documentation (i.e. court documents, insurance department documents, etc.) for any questions to which you responded “yes.” Please be sure to date and sign the written explanation.)

New York Producers Only: I have read New York Circular Letter No. 8, dated July 11, 1991, regarding Placement of Health Insurance Coverage with Unlicensed and Unauthorized Multiple Employer Welfare Arrangements, and agree to comply with its contents if applicable.

All Producers: I will retain a copy of any written disclosures of compensation provided to purchasers, as required by New York regulation or the regulation of any other state.

PUBLIC LAW 91-508 requires that we advise you that a routine inquiry may be made of your friends, neighbors and business associates during our initial or subsequent processing which will provide applicable information concerning character, general reputation, personal characteristics and mode of living. Upon written request, additional information as to the nature and scope of the inquiry, if one is made, will be provided.

CERTIFICATION: I represent and warrant the answers to the above questions and requests for information are true. I agree to comply with all policies and procedures of Gerber Life and any applicable laws and regulations. I understand that I have a continuing obligation to disclose to Gerber Life any changes with respect to the responses provided in this Questionnaire including, but not limited to, my Background Experience.

X	Print Name _____	Signature _____	Date _____
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**FAIR CREDIT REPORTING ACT DISCLOSURE TO CONSUMERS
AND BACKGROUND INVESTIGATION CONSENT FORM**

Gerber Life Insurance Company (“Gerber Life”) and/or its agent may obtain Consumer Reports and/or other background information as part of an evaluation of your eligibility for appointment as an insurance producer.

“Consumer Reports” means written, oral or other communication of any information by a consumer reporting agency bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living used by Gerber Life and/or its agent, in whole or in part, for the purpose of serving as a factor in establishing your eligibility to be appointed as an insurance producer.

By signing below, I acknowledge that the Producer Information Questionnaire has been provided to me and will provide Gerber Life and/or its agents with additional information that may be used in connection with my background investigation.

CANDIDATE’S STATEMENT – READ CAREFULLY

I, _____, hereby authorize Gerber Life and/or its agent to obtain, share, and review, as part of my background investigation, in order to determine my eligibility to be appointed as an insurance producer, my credit report, background information, references, information as to my general reputation, personal characteristics and mode of living, past employment, education, criminal or police records, and government agency records, including information maintained by both public and private organizations and public records.

I release Gerber Life and/or its agent and any person or entity which provides information pursuant to this authorization from any and all liabilities in regards to the information obtained.

AUTHORIZATION

I authorize any consumer reporting agency, government agency, law enforcement agency, the National Association of Securities Dealers, the Securities and Exchange Commission or any other person or organization having any records, data or information concerning my background investigation, including, but not limited to, my credit history, public record information, insurance license, regulatory action history or criminal record history to furnish such records, data and information to Gerber Life and/or its agent.

I understand that, if appointed, this authorization will remain valid as long as I am appointed with Gerber Life.

A photocopy of this authorization shall be considered as effective as the original.

Candidate Signature

Date

Print Full Name

Maiden Name or other names used



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Gerber Life Insurance Company (“Gerber Life”)

Producer Short Form

(To be used by agent if currently appointed to Gerber Life in the state where business will be transacted)

Producer Name: _____

General Agency Name: _____ Date of Birth: _____

Social Security Number: _____ Business Phone: _____

Individual Business E-mail address: _____

(NOTE: By providing your e-mail address and/or fax number and/or engaging in electronic communications, you are consenting to engaging in electronic communications with Gerber Life, unless such consent is expressly revoked).

I represent and warrant the answers to the above questions are true. I agree to comply with all policies and procedures of Gerber Life and any applicable laws and regulations. I understand that I have a continuing obligation to disclose to Gerber Life any changes.

X Print Name _____ Signature _____ Date _____

Gerber Life Insurance Company

GENERAL AGENCY AGREEMENT

PARTIES TO THE AGREEMENT

This Agreement is made and entered into between *Gerber Life Insurance Company*, hereafter referred to as “Company”, and _____, hereafter referred to as “Agent.”

In consideration of the following terms and conditions, this General Agency Agreement (“the Agreement”) is between Company and Agent effective as of the Effective Date stated on the last page of this agreement;

The Company hereby appoints the Agent to represent it subject to the following mutually agreed upon terms and conditions.

I. RESPONSIBILITIES OF THE PARTIES

The Agent Agrees to:

- A. Obtain and maintain and provide copies of all necessary licenses and regulatory approvals to perform the services under this Agreement.
- B. Recruit Sub-Agents and monitor its Sub-Agents and communicate information to Company, of which it is aware or should be aware, that Company needs to know about its Sub-Agents to properly address compliance or other risks. When directed by Company, Agent shall communicate Company information to its Sub-Agents.
- C. Assist Sub-Agents in soliciting Products. If Agent is contracting as an individual, the Agent may solicit applications for Products.
- D. Assist Sub-Agents in servicing customers. If Agent is contracting as an individual, Agent shall provide service to Agent’s customers.
- E. Ensure that each sale of the Company’s Products covered by this Agreement which is proposed or made directly by Agent is appropriate for and suitable to the needs of the insured and the person or entity to whom Agent made the sale, at the time the sale is made, and suitable in accordance with applicable law governing suitability of insurance products.
- F. Comply with all applicable laws and regulations and act in an ethical, professional manner in connection with this Agreement, including, with respect to any compensation disclosure obligations and any other obligations it may have governing its relationship with its customers.
- G. Comply and ensure its employees comply, and instruct and encourage its Sub-Agents to comply with all policies, practices, procedures, processes, and rules of Company. Agent shall promptly notify Company if Agent or any of its employees or Sub-Agents is not in substantial compliance with any Company policy, procedure, process or rule.
- H. Treat any money received or collected for the Company as property held in trust, and promptly remit such money to Company at its administrative office in Fremont, Michigan. Agent and/or its Sub-Agent shall not commingle any funds received or collected for the Company with its own funds. Agent must report any known violations of this provision by a Sub-Agent.
- I. Comply with the underwriting and issue requirements of the Company as well as any and all applicable legal requirements of the state or states in which the Agent does business.
- J. Hold harmless and indemnify the Company from all losses, expenses, costs and damages resulting from any acts by the Agent or its Sub-Agents which breach the terms of this Agreement.
- K. Assist the Company in keeping its insurance policies in force.
- L. Have and maintain Errors and Omissions liability insurance coverage on Agent and Agent’s employees during the term of this Agreement, in an amount and nature, and with such carrier(s) or on a self-insured basis, satisfactory to Company, and to provide evidence of such insurance to Company upon request.
- M. Adhere to all Company requirements including those related to policy application, illustration (if any), delivery of policies and the forwarding of any premium collected once a policy is approved. Agent will also ensure that Sub-Agents are aware of and adhere to all Company requirements.
- N. Be familiar with all provisions and benefits under each Product offered by the Company for which Sub-Agents solicit applications and representing such Product accurately and fairly to prospective purchasers.

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- O. Train Sub-Agents affiliated with the Agent to ensure that they are familiar with all provisions and benefits under each Product offered by the Company for which Sub-Agent solicits applications and representing such Products accurately and fairly to prospective purchasers.
- P. Notify Company within five (5) business days of notice of potential, threatened, or actual litigation or any regulatory inquiry or complaint with respect to this Agreement or any Product. Notice shall comply with the notice provision set forth in section XII of this Agreement. Company shall have final decision making authority to assume the administration and defense of any such action. A copy of the correspondence or document received shall accompany each notice.
 - 1. Agent shall cooperate with the Company in preparing responses to any litigation or regulatory inquiry, as directed by the Company.
- Q. Upon request of Company, Agent shall deliver to its customers or Sub-Agents any information that Company provides to Agent for the purpose of fulfilling Company's obligation to provide such information to the policy holder.
- R. Maintain up-to-date information as to the Company's privacy practices and ensure that it, and its Sub-Agents, is in compliance at all times.
- S. Use the Company's logo and/or trademarks only as authorized by the Company.
- T. Maintain complete and accurate records for actions taken pursuant to this Agreement.

The Company agrees to:

- A. Appoint individuals as agents or licensees (hereafter referred to collectively as "Sub-Agents") when requested by Agent, provided that such individual meets Company's guidelines for appointment. Company will pay the appointment fee for the Agent's and Sub-Agents state of residence. Agent and Sub-Agent is responsible for paying all other appointment fees unless waived by Gerber Life in writing. Renewals will only be paid if Agent and its Sub-Agents have met the minimum production requirements set by Company. However, Agent acknowledges that such appointment may be terminated, with or without cause, at the Company's discretion.

II. LIMITATION OF AUTHORITY

The Agent has **no** authority and specifically agrees not to:

- A. Bind the Company to any promise or agreement; incur any debt, expense or liability whatsoever in the Company's name or for its account; or receive any money due or to become due to Company, except the initial premium in connection with applications or policies, subject to the Company's requirements for the acceptance of such premium.
- B. Deliver any policy or allow delivery of any policy until the initial premium required by the Company has been paid in full. The Agent or its Sub-Agents shall ask the policyholder if the policyholder is in the same condition as to health, habits, occupation and other facts as represented in the application for this policy. If the policyholder indicates that a change has occurred with respect to any such conditions or other facts, the Agent or its Sub-Agents shall not deliver the policy, and the Company shall be informed of such change.
- C. Make, modify, or change any insurance contract, or bind the Company by making any promises respecting any insurance contract except when authorized in writing to do so by the President or a Vice President of the Company.
- D. Use any material, including but not limited to all written material or audio or video tapes, to solicit a sale of any of the Company's products, regardless of whether the Company's name is on such material, without written approval of the material by the Company.
- E. Extend the time for payment of any premium or waive any premium, or bind Company to reinstate any terminated contract.
- F. Institute or file a response to any legal or regulatory proceeding on behalf of Company in connection with any matter pertaining to this Agreement or any Product, without Company's prior written consent.
- G. Agent and/or its Sub-Agents shall not engage in the systematic replacement of any insurance products, including the replacement of Company Products. Consistent with applicable law, Agent and/or its Sub-Agents shall make necessary inquiries to each applicant for a Company Product as to any insurance already in effect for the applicant and, upon determination that a prospective sale involves the replacement of existing coverage, Agent and/or its Sub-Agent shall furnish the applicant with and effect proper execution and retention of any replacement notices and information as required by applicable law.

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- H. Misrepresent or induce any other Agent or Sub-Agents to misrepresent any provision, benefit, or premium of any Product.
- I. Take any action adverse to the interests of the Company.
- J. Provide, whether directly or indirectly, an inducement to any person to purchase a Product from the Company, a rebate of premiums, or any other inducements not provided for within the applicable contract.
- K. Contract or incur any debt or liability on behalf of, or in the name of, the Company.
- L. Agree to share commissions or other compensation with persons who are not licensed, contracted and/or appointed by the Company.
- M. Solicit applications in states or territories in which the Company and/or Agent and Sub-Agents are not authorized to do business.
- N. Conduct business in a state or territory in which Agent or Sub-Agents have not been appointed by Company and/or licensed by the appropriate regulatory agencies.
- O. Approve evidence of insurability and/or make insurability determinations.
- P. Accept liability on behalf of the Company.
- Q. Introduce, amend, or terminate any Company rules or procedures without written consent of the Company.
- R. Settle claims on behalf of the Company.
- S. **No Life Settlements or Sales of Interests to Persons without an Insurable Interest.** Agent and its Sub-Agents agrees that it will not sell or participate in the sale of Company Products to any person if they know or have reason to believe that such sale is being made, in whole or part, for the purpose of resale or to otherwise transfer any of the rights of ownership or benefits under the policy directly or indirectly to a third party. Agent and its Sub-Agents will not endorse, promote, encourage or participate in the sale of Company Products with the intention or expectation of effecting life settlements or otherwise directly or indirectly creating or transferring any rights of ownership or benefits in whole or part to a person who is not related to the insured or does not have a pre-existing insurable interest under state law. Agent and its Sub-Agents will promptly notify Company of any sale or prospective sale of a Company Product if Agent or its Sub-Agents discover, are notified, or have a reasonable basis to suspect that Company Products are being purchased with the intention or expectation of resale or other direct or indirect transfer, in whole or in part, of any rights or benefits of the purchaser or any beneficiary. Agent and its Sub-Agents acknowledge that the use of financing to purchase a Company Product may be a reasonable basis to suspect that a purchase is being made with the intention or expectation of resale or transfer.

III. COMPLIANCE/MARKET CONDUCT

- A. The Agent agrees that it will allow the Company to review all sales programs, techniques, and methods, including all material shown to or provided to an applicant or client, which are used in the solicitation or servicing of the products produced by the Company.
- B. The Agent shall advise the Company of any action or complaint by a state department of insurance or other regulatory agency relating to the Agent or any of its Sub-Agents in connection with products produced by the Company or involving allegations of dishonesty or similar allegations and shall provide the Company copies of all correspondence relating to such action or complaint unless Agent is precluded from doing so by state or federal law, regulation or rule or any order of any official of any state or federal agency. The Agent will cooperate with the Company in the investigation of any inquiry or complaint addressed to the Company by any individual or any state or federal agency. Cooperation shall consist of preparation of written responses addressing the issues raised in the inquiry or complaint as well as providing the Company with a copy of all applicable marketing materials.
- C. **Anti-Money Laundering (AML).** Agent and its Sub-Agents will comply with all applicable provisions of the U.S. Patriot Act and other customer identification, anti-money laundering, anti-terrorism and similar laws and regulations. Agent and its Sub-Agents will, upon request, provide the Company with such certificates of compliance.
 1. Agent and its Sub-Agents agree that its employees and agents who are appointed with Company will complete LIMRA's AML training, or such training approved in advance by Company in writing, concerning the detection, prevention and reporting of money laundering and terrorist financing activities, when and as required by Company.
 2. Agent and its Sub-Agents agree to report to Company any transaction, or pattern of transactions, that it knows or suspects, or has reason to suspect would be a violation of any Federal, State or local regulations of AML.

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IV. COMPENSATION

- A. **For Each Product.** Agent's compensation depends on the particular Products sold. Compensation for each Product will be as specified in the Compensation/Product Schedules.
 - 1. Compensation/Product Schedules may be changed by the Company at any time and will be distributed to Agent.
- B. **Contingencies.** In addition to any conditions imposed in the Compensation/Product Schedules and any amendments, no compensation is earned until:
 - 1. Agent and Sub-Agents are licensed and appointed in accordance with laws and Company procedures,
 - 2. The Product is actually issued, delivered to and accepted by the customer, and
 - 3. The initial premium for the Product is paid to the Company.
- C. **Compensation After Termination.** Agent and/or Sub-Agents shall not be entitled to any compensation after the Termination Date of this Agreement, except for:
 - 1. Vested Compensation; and
 - 2. Any net credit balance in Agent's account for compensation earned as of the Termination Date.
- D. **Forfeiture.** Agent and/or Sub-Agents will forfeit all rights to received compensation, including Vested Compensation, if, in the sole reasonable discretion of Company, Agent and/or Sub-Agents commit any of the following acts:
 - 1. Breaches any material provision of this Agreement while in effect or any material obligation that survives termination of this Agreement.
 - 2. Commits a fraudulent or illegal act in connection with any activities contemplated under this Agreement.
 - 3. Does any act which results in the suspension or revocation of Agent's insurance license.
- E. **Replacement Compensation.** If Agent and/or its Sub-Agents replaces existing Company Products in whole or in part, the attached Compensation Schedule is inapplicable and Company, in its sole discretion, shall determine what, if any compensation shall be payable in accordance with Company's procedures in effect at the time of the replacement.

V. COMPENSATION ADMINISTRATION

- A. **Accounting.** Company will account to Agent for payable compensation based upon initial and renewal premiums received and accepted by Company for policies issued by it upon applications submitted by or through Agent. Company may assume control of the Agent's and/or Sub-Agent's account for a reasonable period of time to ensure that funds are available to reimburse the Company for any Indebtedness, and the Agent and/or Sub-Agent shall fully cooperate with the Company in facilitating this transaction including, but not limited to, the execution of any and all documents required for such transfer of control.
- B. **Statement of Account.** The Company shall furnish the Agent with a statement of account at such intervals as determined by the Company but no less frequently than on a bi-monthly basis. Such statement shall be complete and conclusive evidence of accounts between the parties to this Agreement, and shall be binding on the Agent and/or Sub-Agents unless objection is made in writing by the Agent and/or sub-Agents and received by the Company within 60 days after the statement is mailed by the Company, notwithstanding the limitation on compensation actions in Section V.E. In addition, Company will promptly deliver to Agent copies of all correspondence, including but not limited to lapse notices between Company and policyholders or former policyholders solicited under this Agreement.
- C. **Effect of Return of Premium.** Except where provided on a Compensation/Product Schedule, if any premiums shall be returned by Company on any policy or contract, or should Company become liable for the return thereof for any cause either before or after the Termination Date, Agent shall pay to Company all Compensation previously paid or credited to Agent's account on such returned premiums.
- D. **Set-Off.** Company is authorized to set-off and apply any and all amounts due to Agent and/or Sub-Agents from Company under this Agreement to any and all obligations or Indebtedness of Agent or its employees, Sub-Agents, Other Agents or affiliates to Company or its affiliates. This right of set-off does not require Company to make any prior demand upon Agent, and the right exists irrespective of whether the obligations of Agent or its affiliates are contingent or unmaturing. The rights of Company under this section V.C. are in addition to any other rights and remedies which the Company may have under this Agreement or otherwise.
- E. **Interest.** Interest will accrue on any amount due under this Agreement, which has not been paid within 30 days of receipt of written demand for such amount at the rate of one percent per month, or the highest rate permitted by law, whichever is lower.
- F. **Limitation of Compensation Actions.** Any claim by Agent and/or sub-Agent regarding compensation must be brought within one year from the date the compensation was reported on an accounting issued from Company to

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Agent. Any claim regarding compensation must be brought against the company which issued the Compensation/Product Schedule to which the claim relates, or against the legal successor or assign of such company.

VI. GENERAL PROVISIONS

- A. Company shall retain the right to decide whether to issue or withdraw a Product and determine the type of Product to be issued or withdrawn. Company may discontinue or change a Product at any time.
- B. The producer of record for any Product shall be determined by Company records. Company reserves the right to change the producer of record according to Company procedures and shall have no obligation to designate a successor producer of record.
- C. No assignment of this Agreement or any rights under this Agreement shall be binding on the Company without its written consent, and any such assignment shall be subject to offset or recoupment for any money due the Company by the Agent as provided for in this Agreement.
- D. The Company shall make available at its home office within 30 days of Agent's written request, all records related to business placed with the Company by the Agent or its authorized representative. The Company or its authorized representative may perform periodic written reviews and/or audits of all records of the Agent related to business placed with the Company by the Agent and its subagents, which records shall be maintained for a minimum of seven (7) years. Company shall give Agent thirty (30) days written notice of such reviews and/or audits.
- E. The Agent and/or Sub-Agents shall not have exclusive rights of distribution for any product issued by the Company or for any geographic territory.
- F. The Agent shall be solely liable for the expenses of operating and maintaining the Agent's agency without contribution from the Company.
- G. The Agent and Sub-Agents are independent business persons and shall be free to exercise independent judgment as to the time and place of performing all acts under this Agreement. The Agent and sub-Agents shall be free to represent other insurance companies as the Agent and Sub-Agents see fit. In all respects, the relationship of the Agent and Sub-Agent to the Company shall be that of an independent contractor and not an employee of the Company.
- H. The failure of either party to enforce any of the provisions of this Agreement shall not constitute a waiver by that party of any such or other provisions of the Agreement.
- I. This Agreement shall replace any and all previous contracts between the Agent and the Company.
- J. This Agreement will be governed by and construed in accordance with the laws of the State of New York, without giving effect to its conflict of laws principles and rules. Jurisdiction over any matters of dispute arising under or by virtue of the Agreement shall rest exclusively in either the state courts of the State of New York or the federal courts having jurisdiction over the State of New York.
- K. This Agreement, including the Compensation/Product Schedules, constitutes the entire agreement between the parties regarding the Products sold under this Agreement.
- L. In the event any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in effect.
- M. Any section or other heading contained in this Agreement are for reference purposes and convenience only and shall not affect, in any way, the meaning and interpretation of this Agreement.

VI. SOLE AND EXCLUSIVE PROPERTY

- A. All reports, training materials, manuals, and records, including computer-related materials (such as CD's, disks, tapes, cassettes, etc.), containing sales and/or product information, illustration software, etc., are and shall remain the sole and exclusive property of the Company, subject to inspection and review by the Company at any and all times.
- B. The Agent and sub-Agent agree to surrender the above items, and any and all copies thereof, to the Company immediately upon demand or upon termination of this Agreement.
 - 1. The Agent and sub-Agent further agree not to take or copy any forms, policies, manuals, policyowner lists, CDs, diskettes, tapes, cassettes, or other materials which are the property of the Company. The Agent and Sub-Agent also agrees to return all licenses, monies, policies, manuals, books, papers, sales materials, reports, records, forms and all other property of the Company then in his/her charge and control.
- C. Without regard to the terms of this section VI, Agent and Sub-Agent shall have the right to retain and use client information Agent and/or Sub-Agent receives from its clients.

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VII. TERMINATION IN GENERAL

- A. This Agreement, along with any and all riders, supplements, schedules, amendments, or endorsements to the Agreement, along with any license or appointment of the Agent and its Sub-Agents by the Company, may be terminated 30 days after written notice is provided by the Company or the Agent to the other, in person or to the last known address of the party to be notified.
- B. This Agreement, along with any and all riders, supplements, schedules, amendments or endorsements to the Agreement, along with any license or appointment of the Agent and its Sub-Agents by the Company, will terminate immediately upon the termination of the Agreement with the Agent or upon the death of the Agent.
- C. Any terms of this Agreement which by their nature extend beyond its termination, except as specified in Section VIII, shall remain in effect until fulfilled.

VIII. TERMINATION FOR CAUSE

- A. The Company, at its option, may terminate this Agreement at any time immediately upon written notice and for cause if the Agent or Sub-Agents engage in any act of fraud, misappropriation or mishandling of funds, or any other misconduct, violates any of the terms of this Agreement, fails to pay a debit balance on demand, violates any state insurance law or regulation, or misrepresents Company's products or its financial condition.
- B. Further, the Company, at its option, immediately upon written notice, may terminate this Agreement for cause or may permanently discontinue payments made pursuant to this Agreement after termination, if Agent or Sub-Agents, at any time, (a) takes any action or sanctions any action which results in a pattern of cancellation, lapse, replacement or surrender of Company's policies; or (b) endeavors to induce representatives to discontinue their contracts or appointments with Company.
- C. Automatic Termination will occur without notice in the case of the following:
 - 1. Agent's loss of a valid resident insurance license; or
 - 2. Agent's dissolution.

IX. PAYMENTS AFTER TERMINATION

- A. In the event that this Agreement is terminated due to the death of the Agent or Sub-Agent, any compensation accruing after the date of termination will be paid, subject to Sections V, VII and VIII. Above, in the following order of preference:
 - 1. A beneficiary named by the Agent on forms provided by the Company and received by the Company prior to the Agent's death; or
 - 2. The spouse of the Agent if he or she survives the Agent by more than 30 days; or
 - 3. The Agent's estate, executors or administrators.
- B. If this Agreement is terminated for cause in accordance with Section VIII, all future and current compensation due Agent shall be forfeited, notwithstanding Section IV.C.

X. INDEMNITY AND HOLD HARMLESS

- A. Each party shall indemnify and hold the other party harmless from any liability, loss, costs, expenses (including reasonable attorneys' fees incurred by the indemnified party) or damages, including punitive and extra-contractual damages, resulting from any act or omission of its obligations provided in this Agreement by the indemnifying party or any of its employees or other Agents in the performance of its duties under this Agreement or other agreements with Company, including without limitation, any breach of its obligations provided under this Agreement.

XI. PRIVACY

- A. Company, Agent and its Sub-Agents acknowledges that they may be provided with information or access information about consumers of Company, Agent or its Sub-Agents (Consumer Information). All parties agree to comply with all federal, state and/or local law or regulation related to privacy. Furthermore, each party represents and warrants that it has implemented and currently maintains an effective information security program to protect the Consumer Information, which program includes administrative, technical, and physical safeguards;
 - 1. To ensure the security and confidentiality of Consumer Information;
 - 2. To protect against any anticipated threats or hazards to the security or integrity of such Consumer Information; and

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3. To protect against unauthorized access to or use of Consumer Information which could result in substantial harm or inconvenience to either party, or to consumers of any of them.
- B. If Agent or Sub-Agents has a breach of security that requires notice to an individual under applicable state laws, Agent and/or its Sub-Agents will also provide Company with a copy of such notice at the same time it is sent to such individual in accordance with the Notice provisions of this Agreement.

XII. NOTICE

- A. Notice, as required by the terms of this Agreement, shall be provided in writing and mailed via certified mail to the following:

For the Company:

Gerber Life Insurance Company
Attn: General Counsel
1311 Mamaroneck Avenue, Suite 350
White Plains, NY 10605

For the Agent:

DEFINITIONS

The following terms have the following meanings. Any singular word shall include any plural of the same word.

- A. **“Authorized Representative”** means the Chief Executive Office or President of a company or an individual authorized in writing by the Chief Executive Office or President.
- B. **“Compensation/Product Schedule”** means the Company’s distributed compensation schedule that (a) specifies the amounts and conditions under which commissions will be due and payable to Agent for any Product and (b) is made a part of this Agreement.
- C. **“Indebtedness”** means any amounts owed by Agent to Company, including but not limited to (a) the chargeback of any compensation paid or credited to Agent under this or any other agreement, if the monies on which such compensation was based are not collected or are refunded by the Company, (b) any advances made by Company to Agent, (c) any expenses incurred by the Company on behalf of Agent, and (d) any amount paid by the Company, which in its determination resulted from fraud, misrepresentation or other improper conduct by the Agent.
- D. **“Other-Agent”** means any individual or organization, which (a) enters into a general agent, representative or other marketing agreement with Company and (b) submits Product applications that designate Agent.
- E. **“Sub-Agent”** means any individual or organization which enters into an agreement with Agent to distribute, market or submit Product applications for Company Products.
- F. **“Product”** means any insurance policy, contract, investment vehicle or other offering identified in any Compensation/Product Schedule.
- G. **“Termination Date”** means the later to occur of (a) the date on which Agent or Company sends written notice of termination to the other party, or (b) the date specified by Agent or Company in a written notice of termination to the other party.
- H. **“Vested Compensation”** means compensation identified as vested on a Compensation/Product Schedule and that may be paid to Agent after the Termination Date provided: (a) the policy related to the Product remains in force, (b) the premiums for the policy are paid to Company, and (c) if Agent is the writing agent, Agent remains the producer of record.

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Gerber Life Insurance Company

COMPENSATION/PRODUCT SCHEDULES

PRODUCTS

- A. Company will offer for sale through Agent the following products:
 - a. *Grow-Up Protection Plan*
 - b. *Guaranteed Life*
 - c. *Gerber Life College Plan*
 - d. *Term Life Insurance*
 - e. *Whole Life Insurance*
 - f. *Accident Protection*
- B. Company will only provide electronic versions of product and sales material. Any printing will be the sole responsibility and cost of Agent and/or sub-Agent.

COMPENSATION

- A. Compensation will be characterized as either first year or renewal compensation and may vary based on Face Amount (FA).
 - a. First year compensation will be based on a percentage, listed below, of the product premium actually collected by Company in the first policy year. It will consist of Commissions and Expense Reimbursement Allowance shown together as "Total First Year Compensation".
 - b. Renewal compensation will be based on a percentage, listed below, of the product premium collected by Company in policy years 2, 3, 4 and 5.
 - c. Collected premium refers to US Dollars actually paid to Company.
 - d. Policy year refers to the 12 months following the date that a policy becomes effective.
- B. Compensation will not be paid for any policy while such policy is in lapse or paid-up status.
- C. The Agent agrees to pay its writing agents no more than the maximum "Writing Agent Compensation" .
- D. Compensation will only be paid on collected premium.
- E. With respect to the Guaranteed Life the following special rules shall apply:
 - a. If the insured dies within the first policy year, 100% of the compensation paid shall be returned to Company.
 - b. If the insured dies within the second policy year, 50% of the compensation paid shall be returned to Company.
 - c. Policy year is defined as the 12 months following the date that a policy becomes effective.
- F. Compensation will be paid bi-monthly to Agent for distribution to its sub- agents.
 - a. If the amount due (with any adjusting entries) to Agent is less than \$75.00, the amount will be carried over to the next payment period.
 - b. At the end of the calendar year, Company will "clear out" its accounts regardless of the amount.

The remainder of the page intentionally left blank.

Gerber Life Insurance Company

PLEASE PRINT OR TYPE

This agreement will have no force or effect unless countersigned below by an authorized Officer of the Company.

In consideration of the covenants in this General Agency Agreement it is agreed and accepted to by:

Complete Section A only if the Agent is contracting with the Company as an individual, in which case, all Agent level compensation will be paid to the Agent as an individual. Complete Section B only if the Agent is incorporated and this contract is between the Company and the Agent's corporation (in which case, all Agent level compensation will be paid to the corporation unless the Agent completes a separate Agent contract as an individual with the Company).

SECTION A

Individual Agent Name (Print or Type)

Signature of Agent

Social Security Number

SECTION B

Corporate Agent Name (Print or Type)

Signature of Authorized Officer

Name of Authorized Officer (Print or Type)

Federal Tax Identification Number

Date Signed _____

Home Office Use

Signature of Gerber Life Insurance Company Officer _____

This contract shall take effect on _____ and subsequent contract years shall begin with the anniversary of this date.

Agent Number _____



Vendor Information

Vendor Headquarter / Corporate (must be physical address)

Vendor Legal Name _____
DBA / Trading Name _____
(if applicable) _____

Address _____ City _____

State/Province/Region _____ Country _____ County _____

Postal / Zip Code _____ Email _____

Telephone Number _____ Fax Number _____

Contact Name: _____

Complete if payment should be remitted to address different than above

Vendor Legal Name _____
DBA / Trading Name _____
(if applicable) _____

Address _____ City _____

State/Province/Region _____ Country _____ County _____

Postal / Zip Code _____ Email _____

Telephone Number _____ Fax Number _____

Vendor Financial Information

Tax ID / Reg Number _____

Enter 9 digit Federal ID or Social Security # for Individual

Subject to 1099 Reporting: ___ Yes ___ 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 ▶	Date ▶
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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.



Gerber Life Insurance Company

ACH INFORMATION FORM

Company Information

Company Name _____

Address _____

Tax Identification Number ____ - _____

Social Security Number _____ - _____

Contact Name _____

Phone Number _____

Email Address _____

Bank Information

Bank Name _____

Address _____

Contact _____

Phone Number _____

Bank Account # _____

ABA Number /
Transit Routing _____

Signature

Date

Title



Gerber Life Insurance Company

*Agent
Compliance Manual*

Revision Date: 11-14-12

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Gerber Life's Compliance Commitment

Gerber Life is committed to fair and ethical sales practices for all its customers. Gerber Life is also committed to complying with applicable laws and regulations. Gerber Life will maintain and enforce policies and procedures to reasonably assure compliance, including systems for communicating all company requirements and monitoring sales practices. Agents appointed by Gerber Life are expected to uphold these principles and guidelines as set forth in the manual and other communications issued by Gerber Life. A violation of these guidelines by an agent will result in disciplinary action including, if appropriate, termination of the relationship with the company.

■ Why is Compliance Important?

To put it simply, compliance means doing the right thing. It means serving the client ethically and honestly, presenting products accurately, and following our rules as well as federal and state requirements. The scrutiny being placed on both agents and insurance companies is intensifying in the wake of lawsuits that are being filed and multi-million dollar fines that are being imposed. That is why it is critical for the agent to become familiar with federal and state regulations as well as the compliance requirements of Gerber Life.

■ Ethical Principles

Gerber Life is committed to high standards of ethics and integrity, and Gerber Life will continue to hold itself to these standards every day.

Ethics

A set of principles of right conduct

Integrity

Adherence to a strict ethical code

■ Antitrust and Competition Laws

Antitrust and competition laws are designed to protect consumers by preserving competition in the marketplace. To preserve competition, prices must be set honestly, independently, and without agreements between competitors.

In conducting company business, all agents must engage in fair competition. Fair competition means that the company and its agents will not use tactics that unfairly hurt competitors or consumers. In particular, agents must provide only information that is factually accurate and must avoid withholding information that is clearly relevant to the client's decision to buy an insurance product. To this end, agents must not engage in (i) making disparaging remarks about competitors; or (ii) anti-competitive or unfair or deceptive trade practices.

Gerber Life prides itself on selling its products based on their qualities, not by manipulating, concealing, or disparaging its competitors or their products or services. Our agents should not provide untrue, unsubstantiated, or non-public information about a competitor to any client or other party in order to gain a business advantage.

■ Insurance Fraud

Fraud occurs when someone misrepresents information or deceives someone in order to obtain a monetary benefit or harm another person.

Fraud can be committed in a number of ways and by a number of different people, including clients, employees, agents, or other third parties. Everyone must do their part to prevent fraud and report any suspected fraudulent behavior to the Gerber Life Compliance Department at:

glic-compliance@us.nestle.com

Examples of Fraud may include:

- Theft of Gerber Life or customer funds.
- Falsification or the intentional omission of information on a claim form or policy application.
- Deception of customers in connection with the sale of Gerber Life's products.

Gerber Life has made Anti-Fraud training available to agents on the portal.

■ USA Patriot Act

The USA Patriot Act was enacted to combat terrorism and detect and prevent money-laundering activities. Under the USA Patriot Act, financial institutions, including life insurers, are required to establish anti-money laundering policies and procedures.

Some suspicious activities which indicate that a transaction may not reflect a legitimate business purpose include:

- The purchase of a single lump sum contract by a customer whose previous product experience is with smaller, regular payment products;
- Payment for contracts with a third-party check;
- A customer who shows no concern for the product performance, but much concern for the surrender or early cancellation of the contract;
- Payments by cash, when this type of business transaction would normally be handled by check or other payment instructions;
- Lump sum payments with foreign currency or foreign wire transfer;
- Purchases beyond customer's apparent means;
- Purchases where the source of funds is unclear;
- Borrowing from a single premium policy shortly after paying for the policy;
- Early cancellation of a single premium policy; or
- Payments made by checks or money orders from multiple bank accounts.

■ **Anti-Money Laundering**

Money laundering is the illegal practice of placing money gained from criminal activity through a series of apparently legitimate transactions in order to hide the criminal origin of the money and make the money appear to be from legitimate sources. Money laundering laws not only prohibit active participation but also prohibit passive participation in a laundering scheme. Therefore, it is imperative that agents truly know their customers and their objectives. Agents that participate passively or actively in a money laundering scheme may be fined and/or face criminal charges.

Gerber Life is committed to preventing money laundering when conducting our business. It is important that everyone is aware of money laundering “red flags” and that the agent reports any potential money laundering activities to Compliance (see Reference Guide on page 12 for specific contact information).

All newly hired agents must receive anti-money laundering training within 90 days of the date of hire and annually thereafter.

■ **Obtaining Proper Licensing and Appointments**

It is the agent’s responsibility to secure and keep in effect any licenses, registrations, and appointments required to represent Gerber Life. Since each state has its own licensing requirements, the agent must abide by the statutes and regulations in each state where they are doing business. State laws require, at a minimum, all agents to be licensed and to have appropriate lines of authority in the state where the sale, solicitation, or negotiation takes place.

Activities that require a license include, but are not limited to:

- Recommending a particular type of insurance policy or insurer;
- Collecting premium in any manner;
- Explaining coverages and benefits to prospects;
- Quoting rates;
- Taking an application for insurance from a prospect;
- Attempting to sell insurance;
- Conferring directly with or offering advice regarding a particular contract concerning benefits, terms, or conditions of the contract to a prospect.

■ **Advertising and Sales Materials**

Gerber Life is committed to ensuring that all advertising materials used to promote our products meet the criteria required by statute, regulation, and the company’s internal standards. Gerber Life is also committed to protecting its assets, which include service marks, trademarks, trade secrets and copyrights.

- Compliance with Gerber Life’s guidelines includes requesting a review and approval of agent-created websites and advertising materials that refer to or represent the Gerber Life products.
- Any use of Gerber Life’s logo, company information, product/plan rates on a website must be submitted to Gerber Life’s Legal/Compliance Department for review and approval before public use.
- All Producer-created advertising materials must be submitted to Gerber Life’s Legal/Compliance Department for review and approval before use.

- All Gerber Life product training materials must be submitted to Gerber Life's Legal/Compliance Department for review and approval before use. See page 12 for specific contact information.

Gerber Life's definition of Advertising:

(1) "Advertisement" means material designed to create public interest in life insurance or annuities or in an insurer, or in an insurance producer; or to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy including:

- (a) Printed and published material, audiovisual material, and descriptive literature of an insurer or insurance producer used in direct mail, newspapers, magazines, radio and television script, billboards and similar displays;
- (b) Descriptive literature and sales aids of all kinds, authored by the insurer, its insurance producers, or third parties, issued, distributed or used by the insurer or insurance producer; including but not limited to: all electronic communications - web chat, e-mail, social media, text messages, circulars, leaflets, booklets, web pages, depictions, illustrations and form letters;
- (c) Material used for the recruitment, training and education of an insurer's insurance producers which is designed to be used or is used to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy;
- (d) Prepared sales talks, presentations and materials for use by insurance producers.

(2) "Advertisement" shall not include:

- (a) Communications or materials used within an insurer's own organization and not intended for dissemination to the public;
- (b) Communications with policyholders other than material urging policyholders to purchase, increase, modify, reinstate or retain a policy;
- (c) A general announcement from a group or blanket policyholder to eligible individuals on an employment or membership list that a policy or program has been written or arranged; provided the announcement clearly indicates that it is preliminary to the issuance of a booklet explaining the proposed coverage.

Advertising provided by Gerber Life is already approved by the company. Any change or modification to advertising supplied by Gerber Life must also be approved by Gerber Life's Legal/Compliance Department.

■ Providing Full Disclosure

The agent is required to fully disclose, both to the consumer and to the company, all information that may affect any coverage. Failure to provide full disclosure to the consumer may result not only in loss of benefits for the consumer, but cancellation or rescission of the contract. Full disclosure also means disclosing that the agent is acting as an insurance agent on behalf of Gerber Life, and clearly identifying

that the products being offered are insurance products. It is critical that the agent makes sure that the consumer clearly understands the product they are purchasing.

In addition, a number of states have enacted specific laws and regulations prohibiting the use of “senior-specific” certifications or professional designations that indicate or imply in such a way as to mislead a consumer. No agent shall have special certification or training in advising or providing services to seniors in connection with the solicitation, sale, or purchase of life insurance or in the provision of advice as to the value of or the advisability of purchasing or selling a life insurance policy, either directly or indirectly, through publications or writings, or by issuing or creating reports related to a life insurance policy.

No agent may use the terms “financial planner”, “investment advisor”, “financial consultant”, “financial analyst”, “financial counselor”, or other similar terms to imply that the agent’s compensation is unrelated to insurance sales. However, this will not preclude an agent who holds a formally recognized financial planning or consultant designation from using their designation when selling insurance.

■ Replacements

Gerber Life accepts applications for life insurance replacements in certain circumstances. The agent must make themselves aware of these circumstances before accepting an application that indicates that it is a replacement.

Depending on circumstances, a replacement may or may not be in the best interest of a client. The Agent has the responsibility to make sure that the client has all of the necessary facts in order to determine if the replacement is in his or her best interest. A replacement may be in the client’s best interest if:

- The benefit amount can be increased for the same or similar premium;
- The contract can remain in force longer for the same or similar premium;
- The accumulation value will increase for the same or similar premium;
- The premium payment period is shorter for the same or similar premium;
- The customer can purchase the same benefits for a lower premium.

Comparisons between an existing product and a proposed product must accurately and fairly describe the contracts’ provisions and values. The agent should discuss the advantages and disadvantages of any potential replacement with their client. The following points should be addressed:

- Any required evidence of insurability;
- The contestability and suicide provisions of the existing and proposed contract;
- The loan provisions and loan interest rate of both contracts;
- Any surrender charges and/or expense fees associated with both contracts;
- The premium requirements of the proposed contract;
- The present and future values of both contracts;
- The current interest and mortality charges of both contracts;
- The potential tax treatment of the replacement and whether the replacement can qualify as an Internal Revenue Code Section 1035 exchange.

The definition of replacement goes beyond the surrender of one contract and subsequent purchase of another contract. All agents should be aware of all transactions that could be considered a replacement. For example, a replacement may occur when a contract has been or is to be:

- Lapsed, forfeited, surrendered, or otherwise terminated;
- Converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced by the use of non-forfeiture benefits;
- Reduced in value through a withdrawal or partial surrender;
- Reissued with a reduction in cash value;
- Pledged as collateral or subjected to borrowing where the aggregate loan exceeds a state specified percentage of the loan value of the existing contract;
- Amended by reducing or eliminating ancillary benefits, such as waiver of premium or accidental death benefits.

A replacement can be internal or external. An internal replacement occurs when an existing contract is exchanged for a new contract from the same insurer. Gerber Life Insurance Company does not permit internal replacements. An external replacement occurs when a contract is replaced by another insurer. Only the agent and the client can decide if the replacement is suitable. When a replacement is appropriate, be certain to use appropriate disclosure forms.

■ Confidential Company and Client Information

Gerber Life, its associates and agents, must always properly handle and use confidential information. Confidential information includes all non-public information that might be of use to competitors or harmful to Gerber Life, its customers, or its employees, if improperly accessed, used, or disclosed. This includes Gerber Life's proprietary information, as well as certain information about its customers and employees. Gerber Life will not use confidential information that was improperly obtained from the owner of the information or a third party.

It is important that everyone does their part to safeguard confidential information. All confidential information is sensitive, but certain types of information require special care in handling, including non-public personally identifiable information, protected health information, and financial information. When handling confidential information, the agent must make sure that it secures it, does not leave it unattended, does not discuss it in public, and transmits it using a secure method.

Examples of non-public personally identifiable information include:

- First and last name
- Social security number
- E-mail address
- Bank Account number

Examples of protected health information include:

- Information about an individual's health condition
- Information about an individual's health care

Examples of proprietary information include:

- Pricing information
- Customer lists
- Technology, products, and systems

If the agent stores confidential information electronically on personally-owned equipment or media, it is recommended that this information be protected by use of encryption software. At a minimum, confidential information should be password protected and firewalls used as appropriate.

■ **Customer Funds/Premium Handling**

The agent is responsible for submitting premiums promptly to Gerber Life. Gerber Life prohibits agents from accepting cash payments from consumers and also prohibits commingling of funds. Any premium collected from a customer must be kept separate from any personal or business account and must be immediately turned over to Gerber Life. All checks from a consumer or prospective customer received by the agent must be made payable to “Gerber Life Insurance Company”.

Agents are not authorized to accept checks made payable to the agent, “cash” or “bearer”, and are prohibited from accepting two-party checks. If a money order is remitted, the customer must obtain the money order on their own. Agents cannot purchase money orders for their customers. In the event a customer tenders an unacceptable form of payment, the agent must explain what forms of payment are acceptable and return the unacceptable payment immediately.

■ **Conditional Receipt/Receipt**

If payment is provided at time of application, a conditional receipt (form CRUW-2011 for underwritten products) or a Receipt (form CRGI-2011 for guaranteed-issue products) must be provided to the customer. This does not apply to Automated Clearing House or credit cards, it only applies to check or money order payments.

■ **Payment Card Industry – Data Security Standards (PCI-DSS)**

In order to comply with regulations relating to Payment Card Industry, (PCI) Gerber Life strongly urges everyone when handling credit card or banking information to:

1. Use Gerber Life’s Agency Portal to submit the information when applying for life insurance coverage; and
2. If credit card or bank account information is being written on paper it should be destroyed as soon as it has been submitted to Gerber Life.

If you would like to learn more about PCI compliance please consult with the PCI Security Standards Council website, on the web at: <https://www.pcisecuritystandards.org>.

■ **Policy Delivery**

Policies must be delivered in a timely fashion to clients. If a consumer does not accept the policy as issued, the agent must return the original policy to the company as soon as possible. Gerber Life mails most policies directly to policy owner. If an agent delivers the policy they are required to submit a Delivery Receipt to Gerber Life.

■ **Claims Involvement**

Gerber Life prohibits agents from involvement in any client’s claim. All inquiries from clients or beneficiaries should be referred to the company’s Life Claims Department at 1-800-700-6439.

■ **Document Retention**

State laws require agents to maintain records of all transactions under their license at their place of business. Experience indicates that records agents keep will be the best (or only) method to establish care and professionalism exercised when dealing with a particular client. Carefully maintained files also

provide the best protection against inappropriate or wrongful complaints or legal claims in the future.

The appropriate time to build such files is when a particular transaction is in process. It can be difficult or impossible to reconstruct the file months or years later when questions or issues arise. State regulations vary regarding the amount of time that client files are to be maintained. However, a general rule of thumb is to maintain all active client files indefinitely and all non-active files for seven years after the policy ceases to be in force. Agents should familiarize themselves with the specific requirements of each jurisdiction in which the agent is licensed. In maintaining these records, agents must keep all information and documentation relating to clients confidential unless permitted by law and available for inspection by Gerber Life upon request.

■ Do Not Call Requests and Training

Federal and state laws prohibit telephone solicitations to consumers who have placed their telephone numbers on a “Do-Not-Call” list. This includes activities by agents who make unsolicited calls to set up appointments or generate leads. The penalties for noncompliance can be significant. Violators can incur up to \$16,000 per violation. Callers can be sued and may have to pay damages to the people they called if their telephone number is on a “Do Not Call” list. It is the agent’s responsibility to comply with Do Not Call and telemarketing laws. If a Do Not Call related request or complaint is received, it is the agent’s responsibility to notify Gerber Life immediately.

Each agent who makes telephone solicitation calls on Gerber Life’s behalf must comply with the Telemarketing Compliance Monitoring Program Vendor Guidelines including, but not limited to training, reporting, document retention, and script review requirements. Please contact Gerber Life Compliance Department at glic-compliance@us.nestle.com for a copy of the Monitoring Program Guidelines.

■ Complaints

Working earnestly to resolve customer dissatisfaction strengthens relationships with existing customers and helps enhance the company’s and the agent’s reputation for responsive service. In addition, prompt and fair responses to complaints and the maintenance of complaint records are required by law.

Complaints are written communications expressing any grievance with the company, its services, practices, products, employees or agents. Differentiating an actual complaint from a misunderstanding or an inquiry requires judgment. A communication from a customer is probably a complaint if the customer claims (i) he or she has not received expected benefits or service; (ii) the company or an agent has made a mistake or has acted in a way prejudicial to the customer; or (iii) he or she is displeased with the company or its agents.

All complaints received by the Agent must immediately be forwarded to Gerber Life Compliance Department. The Agent must not, under any circumstances, attempt to resolve a complaint on his/her own or offer to make any payments to a client from the Agent’s personal funds to resolve a complaint without prior approval from the Gerber Life Compliance Department.

It is inappropriate and unacceptable for any Gerber Life agent to initiate any discussion of a settlement of any complaint. While your input may be solicited, Gerber Life retains the absolute and unilateral

right to settle and resolve any complaint in its sole discretion. Gerber Life also reserves the right to charge back commissions pursuant to the terms of the Agent contract.

Report All Complaints Immediately to: glic-compliance@us.nestle.com

If Gerber Life receives a complaint regarding a policy written by an agent, the agent may be contacted for a written response. The response must address all concerns stated in the complaint and should include copies of any documentation referenced in the response.

It is important to Gerber Life and required by state insurance departments and other organizations (e.g. the Better Business Bureau) to resolve a customer's complaint in a timely manner. Gerber Life's internal standard for compliant resolution is 15 business days. Therefore, a timely response is necessary. In an effort to keep the investigative process objective, Gerber Life shall not assist in formulating an agent's response.

■ **Certifications and Designations Usage**

Insurance specific certifications and professional designations are an important resource for agents when dealing with the public. Such certifications and designations signify a degree of accomplishment that can impress a consumer and instill a sense of confidence when dealing with important subjects like insurance and financial planning. No agent should use, advertise, or imply that they have any professional certification, designation, or training that they have not actually earned and maintained.

■ **Quality Assurance**

Gerber Life reserves the right to implement any quality assurance processes that it determines to be reasonably necessary to ensure the agent's compliance with the terms of this Agent Compliance Manual.

■ **Financial Exploitation of Elderly and Disabled Adults**

Senior Protection legislation has been adopted in many states. Along with suitability, replacement and consumer protection laws, this legislation generally provides broad protection to seniors. Gerber Life agents are expected to be familiar with the applicable laws of the states in which they conduct business and comply with all applicable regulations.

Financial Exploitation is the illegal or improper use of property or funds belonging to an Elderly Individual or Disabled Adult for the profit or advantage of someone else. Gerber Life is committed to the prevention and detection of Financial Exploitation in our insurance business.

■ **California Sales to Seniors (Face to Face in Customer's Home)**

California Agents are required to provide a sales disclosure notice before meeting with California residents age 65 and older in their home to offer, sell, or generate leads for the sale of life insurance. If the applicant is age 65 and older, a completed California Sales Disclosure to Senior form must be provided in writing at least 24 hours but not more than 14 days before the meeting in most instances. The California Sales Disclosure to Senior form with instructions can be accessed on the Agency Portal and Forms Page. Agent/Agencies should retain a copy of the form in their records, do not send to Gerber Life.

AGENCY QUICK REFERENCE GUIDE

Compliance: <ul style="list-style-type: none">• Monitoring• Fraud-Special Investigative Unit (SIU)• Life Claims Department• Complaints	<u>mailto:glic-compliance@us.nestle.com</u>
Payment Care Industry – Data Security Standards (PCI-DSS)	<u>mailto:andrew.bickham@us.nestle.com</u> 231-928-2911

COMPLIANCE POLICY STATEMENT OF UNDERSTANDING
AGENT COMPLIANCE MANUAL
GENERAL AGENT

I acknowledge receipt of the Gerber Life Insurance Company Agent Compliance Manual. I acknowledge that I have read and understand the contents of the Compliance Manual and further understand that if the General Agent or its sub-agents do not fully comply with the Compliance Manual's requirements, it will be deemed a breach of my contract and may result in, without limitation, the termination of my contract with Gerber Life Insurance Company.

1. I understand and acknowledge the need for strict compliance with all applicable federal and state laws and regulations regarding the solicitation, negotiation and sale of insurance by the General Agent and my sub-agents, as applicable.
2. I understand that Gerber Life requires strict adherence to federal and state telemarketing rules and the General Agent and its sub-agents are to comply with the Vendor Guidelines of the Gerber Life's Telemarketing Compliance Monitoring Program. My signature below certifies the following: completion of the Do Not Call training, required Do Not Call record retention and that all applicable telemarketing registrations are current and in compliance with the Vendor Guidelines. Do Not Call training shall be reviewed within 90 days of the date of initial contracting with Gerber Life and annually thereafter to all sub-agents. **Note:** This section only applies to vendors performing telemarketing activities on behalf of Gerber Life.
3. I certify that the General Agent and its sub-agents will remain in compliance with Gerber Life's Compliance Training Program requirements, which may include Anti-Money Laundering and other training requirements. I agree that it is the General Agent's responsibility to provide Anti-Money Laundering training to its sub-agents within 90 days of the date of initial contracting with Gerber Life and annually thereafter. In addition, when requested, the General Agent agrees to provide Gerber Life evidence of completion of the required training by its sub-agents.
4. I certify that the General Agent and its sub-agents have taken an Anti-Money Laundering course directly through another represented insurance company or a competent third party within the past twelve months.
5. It is the General Agent's responsibility to ensure that its agents are aware of, and abide by, the laws and regulations in their state of licensure dealing with the use of professional certifications and designations, particularly when used with seniors.

Signature Date

Print Name

Title

Agency Name

PLEASE RETURN A SIGNED COPY OF THIS DOCUMENT WITHIN 30 DAYS FROM RECEIPT AND ANNUALLY THEREAFTER ON JUNE 1ST TO GERBER LIFE'S LEGAL/COMPLIANCE DEPARTMENT AT:
glic-compliance@us.nestle.com