

CONTRACTING CHECKLIST

FREEDOMFLEX®

The following items are required when contracting for FREEDOMFLEX®

- FSL Agent Data Sheet** *(Complete for each principal if corporation – contact ISM for corporate or partnership forms).*
- 1 Agent Agreement**
- 1 Agent Loan Agreement/EFT – direct deposit authorization**
If financing requested – must have corporate seal in state that requires.
- 1 Representative Agreement**
- Current life license for individual and/or corporation**
(Include copies of resident and all non-resident licenses for states to be appointed in).
- State Appointment Fees**
Made payable to the insurance company or state (include separate fees for non-resident states – do not combine fees in one check).
- Agent Appointment Fee Electronic or Credit Card Payment Authorization Form**
For use when appointment fees are to be paid by bank draft/ACH or credit card.
- Contracting Information Sheet (CIS)**
(This form must be completed in order to process contract. The immediate supervisor must complete the commission section and sign. Newly contracted Area Manager's commission section will be completed by ISM. ISM will sign as supervisor).

Mail completed contracts to:

Interstate Specialty Marketing, Inc.
17722 Irvine Blvd.
Tustin, CA 92780

OR

Fax completed contracts to:

714-505-1116

OR

Email CLEAR, LEGIBLE scanned docs to: ISM's secure Web form only!

<https://forms.hush.com/interstate>

Emailing of confidential/personal information through unsecured Web sites is prohibited as it jeopardizes the agent's identity. See "Agent Account Access – Resources" for more contract submission information.

Call ISM Agent Contracting Department for all contracting, state appointment, and fee questions at (888) 249-3539 ext. 702.



17722 Irvine Boulevard
Tustin, California 92780

**FIDELITY SECURITY LIFE INSURANCE COMPANY
AGENCY/AGENT DATA SHEET**

**OMISSION OF ANY INFORMATION WILL RESULT IN A
DELAY OF APPOINTMENT AND PAYING OF COMMISSION**

Agent # _____
Date _____

NOTE: No person is permitted to solicit, sell or procure an application for insurance until he has in his possession an insurance agent's license authorizing him to solicit, sell or procure applications for Fidelity Security Life Insurance Company.

FOR AGENCY APPOINTMENT: (Required only if agency appointment is being requested)

Agency Name as shown on license: _____ FEIN: _____

Agency Address: _____

WEBSITE ADDRESS: _____

NOTE: A data sheet should be completed and attached for each licensed individual named on agency license.

FOR AGENT APPOINTMENT:

A. IDENTIFICATION: (Please print in ink or type - Do Not Abbreviate)

Name (Last, First, Middle)					Sex: <input type="checkbox"/> M <input type="checkbox"/> F	
Social Security Number	Date of Birth	Place of Birth	Tax I.D. No.		Age	
Firm Name (Agency Name if applicable)						Send Mail to:
Business Address					Telephone & Fax #	
Street	City	State	County	Zip	()	
Resident Address					Telephone & Fax #	
Street	City	State	County	Zip	()	
E-Mail Address:						
Currently Licensed By State Of:		License No.	Issued To:			
(attach a copy of home state license)			<input type="checkbox"/> Ind.	<input type="checkbox"/> Corp.	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietor
What type of product(s) do you plan to sell for FSL?			<input type="checkbox"/> Life	<input type="checkbox"/> Health/Accident	<input type="checkbox"/> Fixed Annuity	

B. BACKGROUND - Use separate page if neededIF YES TO ANY OF QUESTIONS 1-9, PLEASE ATTACH DETAILS AND DATES.

	Yes	No	Month/Year
1. Have you ever had ownership interest in a business venture which declared bankruptcy? (If Yes, give month and year.)	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Have you been a Judgment Debtor or ever declared personal bankruptcy? (If Yes, give month and year.)	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Are you in good standing and full compliance with respect to state taxes or child support? (If no, give details.)	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Have you ever had a bond declined or cancelled?	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Have you ever been convicted for any offense other than a minor traffic violation? Your failure to disclose a felony conviction will result in an automatic denial.	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Have you ever been cited, fined, suspended, revoked or refused a license by any state? (If Yes, give state, month and year.)	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Have you ever been short in accounts with any employer?	<input type="checkbox"/>	<input type="checkbox"/>	_____
8. Do you owe an unpaid balance to any insurance company?	<input type="checkbox"/>	<input type="checkbox"/>	_____
9. Are you now employed by, or associated with to any degree, directly or indirectly, a bank, savings and loan or other financial institution?	<input type="checkbox"/>	<input type="checkbox"/>	_____
10. For Agents applying to sell individual cash value life insurance and/or annuities: Have you completed Anti-Money Laundering training? If yes: Attach copy of proof of completion or provide details. _____ If no: I hereby request that FSL enroll me in the AML training course offered by LIMRA International. I am enclosing my check for \$7.50 made payable to "Fidelity Security Life Insurance Company".	<input type="checkbox"/>	<input type="checkbox"/>	_____
11. Please provide the carrier for your Errors & Omissions coverage, the policy number and the name of the insured.			_____

12. List past and current companies you represent or have represented in the last 5 years.

From	To	Name	Street Address, City, State, Zip	Telephone No.
				()
				()

C. CERTIFICATION / AUTHORIZATION

13. a. I certify that I have answered all questions honestly and to the best of my knowledge.
b. I also authorize Fidelity Security Life Insurance Company to order an investigative report as may be required. I understand that information for the report may be secured from financial resources, and/or public records, or personal interviews with third parties, such as family members, business associates and/or others with whom I am acquainted.

This inquiry may include information as to my character, general reputation, personal characteristics, mode of living or educational background. I understand I have the right to make a written request within a reasonable period of time for a complete and accurate disclosure of this information if I so desire. If I reside in CA, OK, or MN, I have the right to obtain a copy of my background report by notifying FSL in writing.

Date _____ Signature _____ Corporate Officer
 Representative (Agent)

Date _____ Appointing Premier General Agent _____

AGENT AGREEMENT

This Agreement ("Agreement") is made this ____ day of _____, 20__ between Interstate Specialty Marketing, Inc., ("ISM") with its home office at 17722 Irvine Boulevard, Tustin, California 92780 and _____ ("You or Your"), whose principal place of business is set forth below:

Address	City	State	Zip
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I. APPOINTMENT AND PRODUCTION

(a) **Appointment.** ISM hereby recommends You for appointment by Fidelity Security Life Insurance Company ("FSL") to solicit insurance policies underwritten FSL.

(b) **Authority to Solicit.** In connection with the appointment, you are authorized, subject to the limitations set forth below, to (1) solicit applications for such policies as ISM may designate from time to time; (2) collect and pay to FSL the first premium on each policy or certificate on which an application is obtained; (3) to carefully evaluate all applications for insurance and make full and accurate disclosure to FSL all material facts and circumstances which may affect the underwriting of the risk; (4) to keep records of solicitations, sales and service consistent with normal, good business practice; (5) deliver policies or certificates as ISM directs, if the insured(s) is/are in good health and the first premium has been paid, and (6) perform any other duty which is specifically authorized in writing signed by one of ISM's officers.

(c) **Limitation as to Territory.** You may solicit applications only in states in which and You are duly licensed, and authorized by FSL and ISM.

II. SUB-AGENTS

(a) **Authority With Respect to Recruitment of Other Agents.** You are also authorized to recruit other agents and recommend them to ISM for appointment for all future business. ISM and FSL reserve the right to approve, disapprove and terminate such recommended agents, in ISM's sole discretion. All such agents whom FSL appoints with the applicable state(s) upon Your recommendation are referred to herein as "Sub Agents." You will be responsible to forward to ISM initial and renewal appointment fees for those Sub-Agents who continue to solicit and termination fees for those Sub-Agents who are terminated. You are responsible to ISM for acts of agents and employees, and shall promptly report to ISM any known or alleged acts as defined in Section IV Items 1-11, by such agents or employees regardless of whether such known or alleged acts are with respect to ISM, FSL, or any other company.

(b) **Liability.** You shall be jointly and severally liable, with each Sub-Agent, for the payment of all obligations due to ISM from such Sub-Agent, resulting from ISM advances of commissions to the Sub-Agent, the charge back of commissions to the Sub-Agent, or any other cause.

III. COMMISSIONS AND SERVICE FEES

(a) **General.** Subject to all other provisions of this Agreement, You shall receive, as full compensation for all of Your services and expenses hereunder, commissions and service fees based: (1) on all business produced by You personally while Your Agreement hereunder is in effect; and (2) as long as Your Agreement hereunder is in effect and You have Sub-Agents, on all business produced by such Sub-Agents. ISM may offset against any such commissions and service fees (under both (1) and (2)), any payments accruing to Your Sub-Agents from ISM.

(b) **Commission Schedule.** The amount of commissions and service fees we pay You shall be fixed by the Schedule of Commissions and Service Fees ("the Commission Schedule") in effect. The current Commission Schedule is attached. ISM may alter the Commission Schedule and ISM's regulations at any time, which alterations shall be effective as to applications received after such changes are mailed to You. Upon termination of this Agreement, the commissions shown in the Commission Schedule will continue to be payable, subject to all the terms of Section IV, Items 1-11 of this Agreement and subject to the following: (1) If You commit any of the acts listed in Section IV, Items 1-11, all commissions or other compensation becoming due to You will be forfeited, in addition to any other damages sustained by ISM, and (2) no further commissions following termination will be payable after any calendar year in which You have changed address, leaving no forwarding address with ISM, and ISM, through reasonable efforts, is unable to locate You.

(c) **Earned Commissions and Service Fees and Premium Refunds.** Commissions and service fees shall be earned only when the premium on which it is based has become due and is paid in collected funds to ISM and received by ISM. All commissions paid to You or a Sub-Agent before it is earned shall be deemed a loan by ISM to you. You will be required to execute an Agent's Loan Agreement. Should any premium, which has been received, be returned to the insured, for any reason, any commission or service fees paid on such premium shall be refunded to ISM. Controlled business is not eligible for a loan. Controlled business includes but is not limited to Your family members, insurance agents, employees and members of Your household.

(d) **Vesting of Commissions.** After Your Agreement hereunder terminates, You, or in the case of Your death, Your heirs or legal representatives, shall continue to be paid on policies issued on which applications were received by FSL prior to termination. No such commissions shall be payable, however, if: (1) total net commissions so payable is less than \$600 in any calendar year, (2) you attempt to, or assist or acquiesce in any attempt to, cause any policies of FSL, whether or not written by You to lapse or to be rewritten in other company, (3) this Agreement is terminated under section IV Items 1-11, (4) You fail to pay over on demand any monies belonging to or due ISM or Your material violation of any other requirement of this Agreement; or (5) Your license is terminated for cause (other than death or disability) by the Insurance Department of any state.

(e) **Indebtedness.** We may offset any amounts You owe to ISM, whether or not then due, arising from transactions under this or any previous Agreement, including debts arising from the failure of Your Sub-Agents to pay amounts for which they are responsible against any commission, service fee or other payments specifically provided. All debts due to ISM, including advances to You or Your Sub-Agents, are payable upon demand and are not recoverable solely from commissions or other compensation. You hereby assign, with recourse, as collateral to ISM for all such amounts, any amounts due and to become due to You from each of Your Sub-Agents. You will execute any other documents required of You by ISM in order to effectuate such assignments.

(f) **Accounting.** ISM's books and records shall be prima facie evidence of all the amounts of all sums due to and from You and Your Sub-Agents, and of all premium transactions upon which such obligations arise. ISM shall furnish You a monthly statement of premium collected, commissions and service fees earned, any premiums refunded and resulting chargebacks, and payments made to You and Your Sub-Agents. Unless You notify ISM in writing of a possible error in the accounting statement within sixty (60) days of its mailing to You, such statement shall be conclusively binding on You.

IV. TERMINATION

(a) This agreement shall terminate upon Your death, if You are an individual; or upon Your dissolution, if You are a partnership or corporation, or by nonrenewal of Your license. This Agreement may be terminated by either party by giving at least 30 days written notice to the other. During this thirty (30) day notice period You shall not write or bind any new business or perform those acts listed in Section 1(A), Items (1),(2),(3), and (5), without specific written approval. ISM may immediately terminate this Agreement and resulting compensation of You or any Sub-Agent appointed by You for any one of the following reasons: (1) improperly withholding, misappropriating or converting to his/her own use any monies received in the course of the business of FSL or money belonging to FSL certificate holders, insurers, beneficiaries or others; (2) making any materially untrue statement in the Agent's Data Sheet for appointment; (3) committing any acts of fraud; (4) receiving a felony conviction; (5) replacing insurance business written through ISM by another Insurance Company; (6) bankruptcy or assignment for the benefit of creditors; (7) obtaining or attempting to obtain an insurance license through intentional misrepresentation or fraud; (8) misrepresenting the terms of the actual or proposed insurance contract; (9) falsifying any document prepared by ISM or prepared for ISM by FSL; (10) revoking or suspending of Your Agent's license by state or by tribunal; (11) violating any insurance law, rule, regulation, order of a tribunal, or terms of this Agreement. In the event of termination, You shall immediately turn over to ISM all undelivered Policies or Certificates of Insurance, rate books, correspondence, records pertaining to the business produced, sales and training material. Those portions of this Agreement dealing with Your obligation to pay monies owed by You or Your Sub-Agents to ISM, and to maintain the confidentiality of ISM's proprietary information and shall survive the termination of the Agreement.

V. GENERAL PROVISIONS

(a) **Other Limitations on Authority.** You shall not on ISM's behalf: (1) alter, modify, waive, change or interpret any of FSL's policies, certificates, or contracts, (2) collect or issue receipts for premiums other than the first premium, (3) endorse checks payable to FSL or ISM, (4) publish, broadcast, or mail, or otherwise distribute any advertisement or solicitation about ISM FSL or any of FSL's policies or certificates without prior written permission from ISM and FSL, (5) commit ISM to any costs or expenses, other than as authorized in advance, in writing, by ISM; or (6) perform any act other than as expressly authorized herein.

(b) **Premium Account.** In no case are you authorized to accept any premium, except the first in any form other than a check payable to FSL. If, not- withstanding any funds intended for the payment of premiums, or the refund of premiums coming into Your possession shall be held in a fiduciary capacity, deposited only in a properly identified premium account and in no event comingled with Your own funds.

(c) **Relationship.** You are an independent contractor, and not an ISM, nor FSL employee, partner, joint venture or, except as expressly provided herein, agent. Subject to ISM and FSL rules and regulations, You shall be free to exercise independent judgment as to the time and manner in which You may perform Your services under this Agreement. ISM reserves the right to reject any and all applications submitted, to change the products as to which You are authorized to solicit applications and to cease doing business in any jurisdiction.

(d) **Rules and Regulations.** You shall comply with rules and regulations which ISM and FSL may establish from time to time, by notice to You.

(e) **Sales and Training Materials.** Any sales or training materials which ISM furnishes to You, shall be considered to be ISM's proprietary information and intellectual property and are deemed confidential. You agree not to disclose such confidential information without prior written consent from ISM. You acknowledge that unauthorized retention or disclosure of this information or material will damage ISM and FSL. All such materials will be returned to ISM upon request or upon termination of this Agreement.

- (f) **Expenses.** You shall be responsible for all expenses incurred by You or Your Sub-Agents in the performance of this Agreement.
- (g) **Assignment.** This Agreement may not be assigned, sold, transferred or hypothecated. You may assign Your right to receive commissions and service fees due to or to become due You hereunder, but no such assignment shall be binding on ISM unless (a) it is in writing and (b) it is authorized in writing by an Officer of ISM, and then only after such written assignment has been received and acknowledged by ISM. Any assignment shall be subject to ISM's prior right to offset against commissions and service fees all of Your indebtedness, and indebtedness of any of Your Sub-Agents, to ISM then existing or thereafter accruing.
- (h) **Amendment.** This Agreement cannot be changed by any verbal promise or statement by anyone. No written modification or change will bind ISM unless it is signed by an authorized officer of ISM, and expresses an intention to modify or change this Agreement.
- (i) **Severability.** In the event that any provision of this Agreement is deemed to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.
- (j) **Indemnification.** You agree to defend, indemnify and hold harmless ISM, its directors, officers, employees and agents with respect to any and all claims, suits, actions, liabilities, losses, damages, attorney's fees, interest, penalties, costs and any other losses of any kind arising directly or indirectly from Your activities hereunder, unless it is determined that such claim, suit, action, liability, loss, damage, attorney's fee, interest, penalty, cost and any other loss of any kind was caused by, or results from the action, negligence or willful misconduct of ISM, its directors, officers, employees or agents. ISM agrees to indemnify and hold harmless You, it's directors, officers, employees and agents with respect to any and all claims, suits, actions, liabilities, losses, damages, attorney's fees, interest, penalties, costs and any other such losses of any kind arising from ISM's unauthorized activities hereunder, unless it is determined that such claim, suit, action, liability, loss, damage, attorney's fee, interest, penalty, cost and any other loss of any kind was caused by, or results from the action, negligence or willful misconduct of You.
- (k) **Execution and Effect on Previous Agreements.** This Agreement contains the entire agreement of the parties and supersedes any previous oral or written agreement(s) between You and ISM. However, if We have any obligation to pay You commissions on business placed under any such prior agreement(s), or if You have any debit balances or other debts to ISM under any prior agreements, such obligations, balances and debts still exist and will be combined and merged with similar obligations hereunder.
- (l) **Guarantee by Officers or Partners.** If You are a corporation or partnership, each of the individuals who have signed below on Your behalf, (1) represents to ISM that Your principal stockholders or partners, with their percentage of interest in the total ownership, are as follows, and (2) personally and severally guarantees the full and timely performance of all of Your obligations hereunder. Each guarantor waives notice of default and waives any requirement that ISM exhaust ISM's remedies against others before enforcing this guarantee.
- (m) **Arbitration.** Any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- (n) **Governing Law.** This agreement shall be governed as to performance, administration and interpretation by the laws of the State of California.
- (o) **Agent Acknowledgment.** I hereby acknowledge receipt and understanding of:
 - Agent licensing procedures
 - Rules governing sales practices
 - Rules governing use of advertisement of life, health and annuity contract.

I understand that if anything in the above written rules applies to Me or My relationship with ISM, I and My Sub-Agents (if any) will: (1) follow

these rules accordingly; (2) monitor any activity applicable to these rules; and (3) report any infraction to the compliance offices of ISM.

- (p) You acknowledge that because YOU are soliciting policies for FSL that FSL is a third party beneficiary of this Agreement.

VI. Chargebacks

Agent is subject to chargebacks and is responsible for repayment to ISM as follows:

- **Not-Taken Cases** – When case is issued as applied for and then processed as Not Taken, ISM will charge Your account for any advance or commission paid plus a flat fee of \$35.00 to the writing agent.
- **Lapses** – All policies or certificates surrendered or lapsed with less than two (2) months of premium paid will have an automatic chargeback of any advance or commission paid.
- **Chargebacks for Your Sub-Agents** – Commissions or advances paid to You as overrides on policies or certificates produced by Your Sub-Agents will be charged back on the same basis and at the same time that Your agent's commissions or advances are charged back relative to Not-Taken Cases as well as Lapses.

In the event of any chargebacks after termination of Your Agreement, You agree to pay ISM the amount of such chargebacks. Interest at ISM's then current interest rate will be charged on any chargebacks which are not paid within 30 days.

VII. Sales And Training Materials Of ISM

Any sales and training materials furnished to You shall be considered to be ISM's or FSL's proprietary information and intellectual property. You acknowledge that unauthorized retention, duplication, or disclosure of this information or material will damage ISM or FSL. All such materials will be returned to ISM upon request or upon termination of this agreement.

VIII. Inducements to Cancel

You agree that You will not directly or indirectly induce or attempt to induce any insured or policyholder of FSL to lapse, forfeit or surrender a Policy or Certificate of Insurance issued by FSL. If Your Agreement is terminated for any reason, by either You or ISM, You further agree to refrain from directly or indirectly inducing or attempting to induce any policyholder or certificate holder of FSL to relinquish, by cash surrender or any other manner, any Policy or Certificate of Insurance issued by FSL. You further agree that You will not attempt to recruit or otherwise induce any agent contracted with ISM to any other carrier, marketing company or agency. You understand that if You fail to honor this agreement, ISM or FSL will aggressively pursue legal remedies against You and will notify all appropriate regulatory agencies of Your activity.

You agree that if Your behavior, activities, sales practices, misrepresentation, inducement, or failure to deliver policies or certificates result in any paid premiums being refunded to any insured or policyholder of FSL, that the full amount of the premium will be charged to Your commission account, to be recovered through that account according to the terms of Your Agreement.

IX. Validity of Contracting Data

You hereby certify that all information You have provided in all contracts and related documents is true and correct to the best of Your knowledge and belief, and hereby grant authorization to ISM, and its designated representative, to verify such information. You understand that any false statements may be considered as sufficient cause for rejection of Your application, or for termination if such false statement is discovered subsequent to Your becoming contracted. You hereby authorize the conduct of an investigative consumer report on Yourself, and also understand that any information obtained by ISM, will be made available to You upon written request.

By: _____
Signature

INTERSTATE SPECIALITY MARKETING, INC.

Name and Title Date

"YOU" (you are an individual, a partnership or a corporation, incorporated under the laws of _____).

Your business name

Your SS# or TIN

Signature

Name and Title Date (please print)

YOUR SHAREHOLDER/PARTNER GUARANTORS:

Signature Date

Signature Date

Title % of Interest

Title % of Interest

Signature Date

Signature Date

Title % of Interest

Title % of Interest

AGENT'S LOAN AGREEMENT

Interstate Specialty Marketing, Inc. ("ISM") agrees, subject to ISM's unconditional right to discontinue at any time, to grant loans to the Agent as indicated below for all new life insurance business sold on a monthly payroll deduction or pre-authorized check ("PAC") or electronic funds transfer ("EFT") basis.

All loans made under this agreement shall be secured by the Agent's commission earnings resulting from the sale of Life, Annuity and Health Insurance products produced by Agent and shall be individually guaranteed by the person who signs this agreement on behalf of Agent, even if such signature is stated to be in a representative capacity. It is fully agreed that amounts loaned under this agreement are payable in full by the Agent or Guarantor upon demand. Cancelled checks or business records of ISM will be considered prima facie evidence of the amount owed and will be admissible to establish a rebuttable presumption of the amount owed to ISM by the Agent.

Any indebtedness of the Agent to ISM shall be subject to a finance charge established by ISM from time to time. The finance charge will not exceed the rate allowed by law and will be calculated based upon the Agent's previous month ending balance as indicated on ISM records. The undersigned Agent expressly acknowledges his/her obligation to repay the amount of indebtedness indicated on ISM records, including any finance charges imposed. It is further understood that commissions shall be earned when due premium, with respect to which a commission is payable, has been paid and received by ISM. The Agent expressly authorizes ISM to set-off or retain any earned commissions to satisfy the amount owed pursuant to this loan agreement. Agent understands and agrees that the commissions earned will be first applied to outstanding indebtedness owed to Fidelity Security Life Insurance Company arising from any existing or prior agreements, including debts arising from the failure of Sub-Agents to pay amounts for which they are responsible.

Additionally, the Agent agrees that he/she shall be responsible for all costs, including reasonable attorneys' fees and costs, the fees of a collection agency, if any, incurred in the collection of any outstanding loan balances accruing pursuant to this agreement and further agrees to the jurisdiction of the court of competent jurisdiction in California for purposes of resolving any conflicts under this agreement or for purposes of allowing ISM to recover any amounts owed, including amounts loaned subsequent to the execution of the agreement. The Agent knowingly waives any objections to venue or the jurisdiction of the court, and agrees that process in any such action may be served by registered mail, with the same effect as if personally served.

This agreement shall be effective as of _____ day of _____, 20____.

INTERSTATE SPECIALTY MARKETING, INC.

By: _____
Agent Name/Number (Print) _____ Officer

Agent Signature _____ Date _____ Title (If Applicable) _____

GUARANTEE

The above agreement having been executed at undersigned's request, the undersigned Supervisor hereby guarantees payment of all sums loaned pursuant to the foregoing agreement. You understand any and all commissions, both first year and renewals, under any contract I have or will enter into with Interstate Specialty Marketing, Inc., are hereby assigned as security for the repayment of sums guaranteed hereon and that I am individually responsible upon demand for the repayment of any loans made by ISM and pursuant to this agreement.

Supervisor/Guarantor Name and Code Number (Print) _____ Date _____ Supervisor/ Guarantor Signature _____

ELECTRONIC FUND TRANSFER

ISM will deposit your commission check directly to your bank account. We make the deposit according the current Commission Deposit Schedule. Below is an authorization form so that you may sign up for this service. Just complete the form and return it to our Commissions department.

FUND TRANSFER AUTHORIZATION

I (We) do hereby authorize the deposit of all commission payments due me/us to my/our checking account indicated below and the Depository Financial Institution named below to credit the payment(s) to such account by Interstate Specialty Marketing, Inc.

Account _____

Financial Institute Name: _____

City: _____ State: _____

I (We) reserve the right to revoke and cancel this authorization, such revocation and cancellation to take effect upon written notice received at the office of Interstate Specialty Marketing, Inc., within reasonable time to act upon such notice.

Date _____ Agent Number _____ Agent Signature _____

Please complete and include with your Agent Agreement and Agent Data Sheet and forward the package

To: ISM, 17722 Irvine Boulevard, Tustin, CA 92780, 714-505-1100

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**Attach Original, Voided Check Here
(Deposit Slips are NOT Acceptable)**

REPRESENTATIVE AGREEMENT

This Agreement is made as of the _____ day of _____, ____ by and between the American Association of Government Employees and the American Association of Private Employees, whose principal business is 17722 Irvine Blvd., Tustin, California 92780, ("Association"), _____ whose principal address is _____ ("Representative").

In consideration of the mutual covenants and promises contained herein the parties agree as follows:

- I. **Appointment and Acceptance.** Association appoints Representative to solicit memberships in the American Association of Government Employees and the American Association of Private Employees (together the "Association").
- II. **Compensation.** Representative shall be paid compensation for Association memberships solicited by Representative according to Schedule A attached hereto.
- III. **Responsibilities of the Representative.**
- (a) Representative has limited authority to quote dues for Association memberships according to the Association's current pricing policy and provide potential members printed information regarding the Association. Representative acknowledges that all such printed materials are the property of the Association and Representative will not make use of the materials except in the solicitation of Association memberships.
 - (b) Representative will promptly forward all membership dues collected by Representative to the Association. Representative will convert all cash received into cashier's checks payable to the Association.
 - (c) Representative shall be subject to and follow reasonable guidelines of the Association. If required, Representative shall also deliver any materials or documents to customers or new members on a timely basis (not to exceed ten(10) days) upon request by the Association.
 - (d) Representative is not authorized to solicit or discuss any benefit or product of the Association such as, life insurance, annuities or investments, unless Representative is duly licensed to solicit and sell such benefit or product.
 - (e) Representative agrees not to represent principals whose memberships or products are, as determined in the Association's reasonable discretion, competitive with memberships in the Association without the Association's prior written consent. Further, Representative will not attempt to recruit or otherwise induce any other representative of the Association to another association, marketing company or agency.
 - (f) Representative shall pay its own expenses and be solely responsible for the acts and expenses of its employees and agents. Representatives shall ensure that its agents or employees act in conformance with the terms and conditions of this Agreement. Representative will indemnify and hold the Association harmless from any claims, injuries, demands, liabilities, losses, damages, judgements or settlements, including all reasonable costs and expenses related thereto, including attorney's fees, incurred as a result of any asserted obligation of the Association stemming from any act, omission or obligation of or by Representative or Representative's agents, employees or contractors.
- IV. **Responsibilities of the Association.** All membership applications are subject to acceptance or rejection by the Association. The Association reserves the right to reject any application.
- V. **Restrictions on Authority.**
- a) Representative shall have no authority to bind or commit the Association to any contract or agreement or otherwise hold itself out as agent of the Association. Representative shall have no authority, under any circumstances, either expressly or by implication, to incur any liability or obligation, or to make any representations or warranties, on the Association's behalf.
- b) Representative acknowledges that he or she is an independent contractor. The Association shall exercise no control over, or have right to control the activities or operations of Representative, except as expressly provided within this Agreement. This Agreement does not give rise to or constitute a partnership or joint venture.
- VI. **Termination.**
- a) This Agreement may be terminated with or without cause by either party upon thirty (30) day written notice during the term of this Agreement. Once the notice of termination has been received by Representative, Representative shall not conduct any further solicitation of members.
 - b) This Agreement may be immediately terminated by the Association upon delivery of written notice if the Representative: (1) attempts to assign this Agreement without prior written consent; (2) fails to perform any other obligation imposed by or otherwise breaches this Agreement.
- VII. **Disputes.** This Agreement shall be governed by the laws of the State of California. The parties agree that the exclusive jurisdiction and venue of any action with respect to this Agreement or any dispute between the parties related to the Associations shall be the Superior Court of California for the County of Orange or the United States District Court, Central District of California and each of the parties hereby submits itself to the exclusive jurisdiction and venue of such courts for the purpose of resolving any dispute regarding this Agreement or any other aspect of the business relationship between the parties hereto. If an action is instituted to resolve such a dispute, the prevailing party shall be entitled to all court costs and expenses arising out of or incurred by reason of the litigation, including attorneys' fees and all such costs and expenses shall be included in the judgement.
- VIII. **Notices.** All notices and demands shall be in writing and shall be deemed effective upon personal delivery to the party to be notified or upon deposit with the United States Post Office, by registered or certified mail, postage prepaid and addressed to the party to be notified at the address set forth above or at such other address as such party may specify upon ten(10) day notice in accordance herewith.
- IX. **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions shall be enforceable to the maximum extent allowed by law.
- X. **General Provisions.** This Agreement supersedes any previous understanding or agreement between the parties regarding the subject matter herein. No modification or waiver of any of the provisions hereof shall be binding upon the parties unless agreed to in a writing signed by the party or parties to be bound. No waiver of a breach or obligation shall be deemed to be a waiver of any subsequent or prior breach or obligation. This Agreement may be executed in counter parts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

ASSOCIATION

REPRESENTATIVE

Authorized Officer
American Association of Government/Public Employees

Social Security # _____



**Agent Appointment Fee
Electronic or Credit Card Payment Authorization Form**

I certify that I have elected to pay my appointment fee(s) via electronic payment using my Checking/Savings account, Mastercard or Visa charge card. I understand that ISM will never use the information for future transactions unless instructed in writing by me.

I wish to pay my fees by:

Checking____ Routing#: _____ /Account#: _____

Savings____ Routing#: _____ /Account#: _____

Mastercard ____ # _____ / Exp. Date ____/____
Mo. Yr.

Visa ____ # _____ / Exp. Date ____/____
Mo. Yr.

Amount to be charged:

FREEDOMFLEX \$ _____

24 Hour Accident \$ _____

Total: \$ _____

I wish to pay for these states:

Resident State _____

Non-Resident States (List) _____

Producer Signature

Date

Print Name

Email Address -Required

CONTRACTING INFORMATION SHEET MUST ACCOMPANY ALL CONTRACTS

Initial Appointment Name To Contract Under _____
Print Clearly

This Is A Change Email Address (MANDATORY) _____

Use The Corresponding Agent Code for all requested Agent changes.

Agent's Code # _____ Phone _____

Agent's Mailing Address _____

_____ Fax _____

Supervisor Code # _____ (FREEDOMFLEX)
Supervisor Code (MANDATORY)

Immediate Supervisor/
 Guarantor Name _____
Print Clearly

Immediate Supervisor/Guarantor Signature _____
 (MANDATORY)

COMMISSION INFORMATION:

COMPANY	PRODUCT	COMMISSION LEVEL	COMMISSION %	ADVANCE %	MONTHLY MAX	EARNED ONLY

STATE APPOINTMENT FEE ATTACHED \$ _____

Must attach separate check, payable to State or Insurance Company, or include a completed "Agent Appointment Fee Electronic or Credit Card Payment Authorization" form. **If being appointed in non-res state, please list states, include copies of current licenses with contract and the appropriate appointment fee for each state.

Comments: (ALL CHANGES MUST BE REQUESTED IN FULL DETAIL!)
 (i.e., level 3 to level 5, annualized to as earned, \$2,000 mo. max to \$3,000, etc.)

NOTE: ANY CHANGE OF SUPERVISOR MUST INCLUDE NEW SIGNED AGENT LOAN AGREEMENTS IF AGENT IS RECEIVING FINANCING.

APPOINTMENT FEE(S) RESIDENT STATE _____ NON RESIDENT STATE(S) _____

If paying by check, make separate check payable to contracting insurance company or each state. If appointing in multiple states, separate checks are required if payable to state departments

(FOR HOME OFFICE USE ONLY)
SHIPPED ON
____ / ____ / ____
BY: _____