

Thank you for using  
the Broker Contracting Kit for Individuals!

Before you continue, please read! This will help you avoid issues and possibly losing your data! **To speed up the contracting process, please stop, consult your recruiter, and use our online contracting system!!**

- You cannot save the form as completed using Adobe Reader – that requires the full version of Adobe Acrobat. The form must be completed in its entirety and printed before closing.
- **Please thoroughly complete the form.** Statements are required for background information if certain questions are answered “yes” and you will be directed to that section.
- **An email address is required in order to provide access to *Colonial Connect for Brokers*.** Upon completion of the contract, an email containing a secured link to the website will be sent to the email address provided in this packet. This link will initiate the login process for website access including compensation information. If additional access for solicitors or key office personnel is desired, please complete the online form under “Resources and Forms”. No access to compensation information is provided with the solicitor or key office personnel view.
- **All Brokers must sign and date the Background Check & FCRA Consent form.**
- **Please provide the recruit with a copy of the FCRA Summary of Rights as required.**
- **It is critical you fax in all pages, with signatures as needed, and license copy(ies).** We are unable to request the necessary background reports until the signed and dated authorization is received. The background investigation typically takes 2-3 business days and possibly longer. Please assist us in expediting this contract by providing *all* required documentation.
- **A fax cover sheet is provided for you as the final page of this document.** Please use this when faxing to the home office.
- We will send you an executed contract along with a Welcome Letter once the contracting process is complete.

# Contracting Data Sheet

Requested Effective Date \_\_\_\_\_

Please indicate your Legal Name as used on your W-9 and recognized by the IRS.

First Name \_\_\_\_\_ Middle Name \_\_\_\_\_

Last Name \_\_\_\_\_ No Middle Initial [ ]

Social Security Number \_\_\_\_\_ Date of Birth \_\_\_\_\_ Gender \_\_\_\_\_

Preferred/Nick Name \_\_\_\_\_

Alias/Former Name: First \_\_\_\_\_ Middle \_\_\_\_\_ Last \_\_\_\_\_

Email Address \_\_\_\_\_ (Required for web access)

## Home Address

## Phone Numbers

Street \_\_\_\_\_ Home \_\_\_\_\_

Street 2 \_\_\_\_\_ Cell \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Fax \_\_\_\_\_

## Business Address (To Receive Mail)

Same As: Home Address \_\_\_\_\_ Physical Address \_\_\_\_\_

Street \_\_\_\_\_ Street 2 \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Business Phone \_\_\_\_\_ ext \_\_\_\_\_

## Physical Address (To Receive Deliveries—P. O. Box not accepted)

Same As: Home Address \_\_\_\_\_ Business Address \_\_\_\_\_

Street \_\_\_\_\_ Street 2 \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

In which state do you hold a resident or business resident license? \_\_\_\_\_

Territory Name \_\_\_\_\_

## Hierarchy Information

Please be sure the Unit Manager is indicated, if applicable, to insure commissions, overrides and bonuses are paid correctly. Check with the person that recruited you if you have questions on how to complete this section.

Managers You Will Be Working With	Name	Code Number
Unit Manager (DDM, ADM, PSAM, MAP)		
Area Manager (DGA, PSM)		
Territory Manager		

## Insurance Background

**Please note:** For the purpose of this application, "Involved", means having a license censured, suspended, revoked, cancelled, terminated; or being assessed a fine, placed on probation or surrendering a license to resolve an administrative action. "Involved" also means being named a party to an administrative or arbitration proceeding which is related to a professional or occupational license. "Involved" also means having a license application denied or the act of withdrawing an application to avoid denial. You may exclude license terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

1. Have you ever been involved in an administrative proceeding (including, but not limited to, matters with ANY state Department of Insurance, or similar insurance or investment Regulatory Agency) regarding any professional or occupational license?  Yes  No
2. Have you or any business in which you are or were an owner, partner, officer or director ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?  Yes  No
3. Have you ever filed, or threatened to file any lawsuit of any kind against an insurance company, insurance agency, broker or agent?  Yes  No
4. Have you ever previously been authorized to solicit business for Colonial Life or Paul Revere?  Yes  No
5. Do you currently have any family members that are currently or were previously contracted with Colonial Life or Paul Revere?  Yes  No

If yes, please list the name(s) and relationship below:

Name	Relationship

## Statement of Understanding

**Please read the following very carefully:**

- I hereby certify that all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for application denial or contract revocation.
- I acknowledge that I understand and will comply with the insurance laws and regulations of the jurisdictions in which I am licensed, to include those standards set by Colonial Life or Paul Revere.
- I understand the guidelines for proper conduct in the market; including, without limitation, the requirement that I may not use advertising or sales materials not previously approved in writing by the home office.
- I understand that I am not authorized to represent Colonial Life or Paul Revere or solicit or influence business on behalf of Colonial Life or Paul Revere until notified by the home office that my contract is effective and my appointment has been completed.

I Agree

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Background Information

*IF YOU FAIL TO FULLY DISCLOSE ANY REQUESTED INFORMATION OR IF YOU MAKE A FALSE STATEMENT, YOUR APPLICATION MAY BE DECLINED.*

(Note: Affirmative responses to any of the following questions may or may not result in declination, and will be reviewed.)

### ADDITIONAL INFORMATION AND INSTRUCTIONS:

If you answer "Yes" to any of the background questions listed below, you must include a written statement, explaining the circumstances of each issue. Please provide any copies of supporting documentation, such as any court documents detailing the conviction, resolution of the charges, probation and any final judgment providing additional explanation to assist in our review of your application.

- You are considered to be "convicted" if you were ever found guilty by verdict of a judge or jury; and/or ever entered a plea of guilty, nolo contendere or no contest, or having been given probation, a suspended sentence or fine. You may exclude juvenile offenses tried in juvenile court. You may also exclude traffic citations but should include driving offenses such as, but not limited to, reckless driving, driving under the influence, and driving with a suspended license.

California Only – Marijuana related convictions occurring more than 2 years ago, convictions that have been sealed or expunged and arrests resulting in the successful completion of a pre or post trial diversion program may be excluded.

- Federal law (18 U.S.C. 1033) prohibits anyone who has been convicted of a felony involving dishonesty or a breach of trust from conducting the business of insurance unless they have obtained the written consent of the DOI of the applicant's home state. It is a violation of this statute to conduct business of insurance without this written consent. If you have been convicted of a felony involving dishonesty or a breach of trust or a violation of 18 U.S.C. 1033 and 1034, then you must attach a copy of this written consent. If you have not obtained this written consent, you must do so prior to submitting this application.

1. Have you ever been convicted of a misdemeanor, felony or a felony involving dishonesty or a breach of trust?

Yes  No

2. Are you currently charged with committing a crime?  Yes  No

3. Have you ever declared, been subject to or otherwise been responsible for a bankruptcy proceeding?  Yes  No

4. Has any demand been made or judgment rendered against you for any overdue monies by any insurer, insured or producer?  Yes  No

If you answered yes to any of the questions above, please provide detailed explanation below:

# DIRECT DEPOSIT REQUEST

THIS FORM CANCELS AND SUPERSEDES ANY PREVIOUS DIRECT DEPOSIT REQUESTS.

**Producer Information:**

List all producer Code #'s: \_\_\_\_\_

Name: \_\_\_\_\_

New

Change

SSN/EIN: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

\*You may deposit your total compensation to one account (checking or savings), or you may split your compensation between three different accounts (any form of checking or savings) **Designate a primary account and percentage. Designate a second and/or third account only if you plan to split deposits. This form will be returned if all information is not completed.**

**When you have completed this form, attach a voided check to the original and mail to the address indicated. Deposit slips and counter checks are NOT accepted. You will receive a paper check while we process the initial direct deposit set up. A change in your banking information will suspend your Direct Deposit for approximately 2-3 weeks and you will receive a paper check in the interim.**

**If you do not elect to receive your compensation via Direct Deposit, please be aware that your gross payment amount must exceed a minimum of \$200 to issue a paper check. Also be aware that paper checks are mailed approximately 2 days after direct deposits are transacted.**

**Primary Account:**

Percentage: \_\_\_\_\_

Name of Financial Institution (Bank)

Routing/Transit Number

Account Number

Type of Account

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Checking Savings

Bank Location (City, State) \_\_\_\_\_

**Secondary Account:**

Percentage: \_\_\_\_\_

Name of Financial Institution (Bank)

Routing/Transit Number

Account Number

Type of Account

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Checking Savings

Bank Location (City, State) \_\_\_\_\_

**Third Account:**

Percentage: \_\_\_\_\_

Name of Financial Institution (Bank)

Routing/Transit Number

Account Number

Type of Account

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Checking Savings

Bank Location (City, State) \_\_\_\_\_

**Direct Deposit Authorization**

I hereby authorize Colonial Life & Accident Insurance Company and/or The Paul Revere Life Insurance Company ("Colonial Life/Paul Revere") to deposit my earnings (credits) as indicated above. It is understood that deposit(s) will not begin until after a pre-notification has been completed. Colonial Life/Paul Revere may withdraw any money (debits) deposited to my account, in error. I understand that depositing my earnings into the account(s) above does not affect how income will be reported on my annual 1099 form. I also understand that Colonial Life/Paul Revere will not be held responsible for any NSF or return check charges incurred by me. This authorization will remain in effect as long as I remain eligible for participation unless I (we) notify Colonial Life/Paul Revere, in writing, that the authorization is terminated. I (we) will provide the termination notice at such time and in such a way that Colonial Life/Paul Revere will have reasonable time to act upon it. Colonial Life/Paul Revere reserves the right to terminate this Direct Deposit Authorization at their discretion. Should the direct deposit authorization be terminated, a check will be issued for any commissions due.

I request direct deposit and agree to the terms above.

I decline direct deposit and understand there is a gross minimum payment amount as explained above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Mail to:** Colonial Life & Accident Insurance Company  
Attn: Direct Deposit, SC431  
PO Box 1365  
Columbia SC 29201-1365  
Fax 866-842-9243

49973-9 (08/09)

## EXHIBIT A – A Summary of Your Rights under the Fair Credit Reporting Act

**Applicant Name:**

**Date Application Submitted:**

The federal Fair Credit Reporting Act (“FCRA”) is designed to promote accuracy, fairness, and privacy of information in the files of every “consumer reporting agency” (“CRA”). Most CRAs are credit bureaus that gather and sell information about you – such as if you pay your bills on time or have filed bankruptcy – to creditors, employers, landlords, and other businesses. You can find the complete text of the FCRA, 15 U.S.C. §§ 1681 – 1681u, at the Federal Trade Commission’s web site (<http://www.ftc.gov>). The FCRA gives you specific rights, as outlined below. You may have additional rights under state law. You may contact a state or local consumer protection agency or a state attorney general to learn those rights.

- You must be told if information in your file has been used against you. Anyone who uses information from a CRA to take action against you – such as denying an application for credit, insurance, employment – must tell you, and give you the name, address, and phone number of the CRA that provided the consumer report.
- You can find out what is in your file. At your request, a CRA must give you the information in your file, and a list of everyone who has requested it recently. There is no charge for the report if a person has taken action against you because of information supplied by the CRA, if you request the report within 60 days of receiving notice of the action. You also are entitled to one free report every twelve months upon request if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare, or (3) your report is inaccurate due to fraud. Otherwise a CRA may charge you up to eight dollars.
- You can dispute inaccurate information within the CRA. If you tell a CRA that your file contains inaccurate information, the CRA must investigate the items (usually within 30 days) by presenting to its information source all relevant evidence you submit, unless your dispute is frivolous. The source must review your evidence and report its finding to the CRA. (The source also must advise national CRAs – to which it has provided the date – of any error.) The CRA must give you a written report of the investigation, and a copy of your report, if the investigation results in any change. If the CRA’s investigation does not resolve the dispute, you may add a brief statement to your file. The CRA must normally include a summary of your statement in future reports. If an item is deleted or a dispute statement is filed, you may ask that anyone who has recently reviewed your report be notified of the changes.
- Inaccurate information must be corrected or deleted. A CRA must remove or correct inaccurate or unverified information from its files, usually within 30 days after you dispute it. However, the CRA is not required to remove accurate data from your file unless it is outdated (as described below) or cannot be verified. If your dispute results in any change to your report, the CRA cannot reinsert into your file a disputed item unless the information source verifies its accuracy and completeness. In addition, the CRA must give you a written notice telling you it has reinserted the item. The notice must include the name, address and phone number of the information source.
- You can dispute inaccurate items with the source of information. If you tell anyone – such as a creditor who reports to a CRA – that you dispute an item, they may not then report the information to a CRA without including a notice of your dispute. In addition, once you have notified the source of the error in writing, it may not continue to report the information if it is, in fact, an error.
- Outdated information may not be reported. In most cases, a CRA may not report negative information that is more than seven years old and ten years from bankruptcies.
- Access to your file is limited. A CRA may provide information about you only to people with a need recognized by the FCRA – usually to consider an application with a creditor, insurer, employer, landlord, or other business.
- Your consent is required for reports that are provided to employers, or reports that contain medical information. A CRA may not give out information about you to your employer, or prospective employer, without your written consent. A CRA may not report medical information about you to creditors, insurers, or employers without your permission.
- You may choose to exclude your name from CRA lists for unsolicited credit and insurance offers. Creditors and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance. Such offers must include a toll-free phone number for you to call if you want your name and address removed from future lists. If you call, you must be kept off the lists for two years. If you request, complete and return the CRA form provided for this purpose. You must be taken off the lists indefinitely.
- You may seek damages from violators. If a CRA, a user or (in some cases) a provider of CRA data, violates the FCRA, you may sue them in state or federal court.

## Background Check & FCRA Consent

I. I understand that an investigative report may be generated on me that may include information as to my character, general reputation, personal characteristics, or mode of living; work habits, performance or experience, along with reasons for termination of past employment/professional license or credentials; financial/credit history; or criminal/civil/driving record history. I understand that General Information Services, Inc. (GIS), on behalf of the company may be requesting information from public and private sources about any of the information noted earlier in this paragraph in connection with the company's consideration of me for employment, promotion or position re-assignment or contract now, or at any time during my tenure with the company, and give my full consent for this information to be obtained.

II. IF APPLICABLE, medical and worker's compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws.

III. According to the **Fair Credit Reporting Act** (FCRA, Public Law 91-508, Title VI), I am entitled to know if the considerations for which I am applying are denied because of information obtained from a consumer reporting agency. If so, I will be notified and be given the name of the agency providing that report.

IV. I acknowledge that a telephonic facsimile (FAX) or photographic copy of this release shall be as valid as the original. This release is valid for most federal, state and county agencies.

V. I understand that if I am a resident of **California, Minnesota or Oklahoma (only)** I may obtain a copy of the report ordered, and now indicate my desire to do so by checking the box on this form.

VI. I hereby authorize, without reservation, any financial institution, law enforcement agency, information service bureau, school, employer or insurance company contacted by GIS to furnish the information described in Section I.

VII. Upon proper identification, you have the right to make a request to GIS, within a reasonable period of time, as to the nature and substance of all information in its files on you at the time of your request, including the sources of information and the recipients of any reports on you that GIS has previously furnished. Communications with GIS should be directed to PO Box 353, Chapin SC 29036 or (866) 265-4917.

### FAIR CREDIT REPORTING ACT NOTICE

In accordance with the Fair Credit Reporting Act (FCRA, Public Law 91-508, Title VI), this information may only be used to verify a statement(s) made by an individual in connection with legitimate business needs. The depth of information available varies from state to state. Status of updates is available on request. Although every effort has been made to assure accuracy, General Information Services, Inc. cannot act as guarantor of information accuracy or completeness. Final verification of an individual's identity and proper use of report contents are the user's responsibility. General Information Services, Inc.'s policy requires purchasers of these reports to have signed a Service Agreement. This assures General Information Services, Inc. that users are familiar with and will abide by their obligations, as stated in the FCRA, to the individuals named in these reports. If information contained in this report is responsible for the suspension or termination of an employee or the application process, have the Candidate/employee contact General Information Services, Inc.

### NOTICE TO CALIFORNIA CANDIDATES:

You have a right to obtain a copy of any consumer report or investigative consumer report obtained by the company by checking the box provided below. The report will be provided to you within three (3) business days after we receive the requested reports related to the matter investigated. Under section 1786.22 of the California Civil Code, you may view the file maintained on you by GIS during normal business hours. You may also obtain a copy of this file upon submitting proper identification and paying the costs of duplication services, by appearing at GIS in person or by mail. You may also receive a summary of the file by telephone. The agency is required to have personnel available to explain your file to you and the agency must explain to you any coded information appearing in your file. If you appear in person, a person of your choice may accompany you, provided that this person furnishes proper identification.

For California, Minnesota, and Oklahoma Applicants Only:

I request to receive a copy of this report       No       Yes

I understand the above and by signing this form, I confirm that I consent to the release for background reports.

Signature \_\_\_\_\_

Date \_\_\_\_\_

## 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, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ..... <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
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 Line 1 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.

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

Social security number
or
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 ▶

## 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.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

**BROKER AGREEMENT**

**THIS AGREEMENT**, effective upon the latter of the dates this Agreement is signed by the parties below, between Colonial Life & Accident Insurance Company of Columbia, South Carolina (hereinafter referred to as “**Colonial Life**” or “**Company**”) and

\_\_\_\_\_ of  
Name of Agent

\_\_\_\_\_ (hereinafter referred to as “**Broker**”).

\_\_\_\_\_ City/State

In consideration of the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

**I. Appointment**

Colonial Life hereby contracts with the person or entity named above as Broker to assist Colonial Life in connection with the sale of insurance policies offered by Colonial Life. Unless otherwise required by law or company policy, Broker shall be responsible for procuring and maintaining, at its expense, all licenses and appointments required by any governmental entity for transacting business under this Agreement. Broker acknowledges that this Agreement does not confer on it exclusive rights in any territory. Broker shall comply with such company policies and guidelines as may from time to time be established for the orderly conduct of the Company’s business, and will comply with the laws and regulations of any jurisdiction to which Broker may be subject.

**II. Functions**

The principal business activity of Broker under this Agreement is to assist Colonial Life in securing and maintaining payroll deduction privileges in an account. As used in this Agreement, “payroll deduction privileges” shall mean permission of the account for Colonial Life to sell insurance products to employees or members on a payroll deduction basis. Broker may also be allowed to solicit applications for Colonial Life products in accordance with policies and guidelines prescribed by Colonial Life.

**III. Relationship**

It is expressly understood and agreed that the relationship between the parties is that of an independent contractor, and nothing herein contained is intended or shall be construed to constitute Colonial Life and Broker as partners, nor to establish as between Colonial Life and Broker the relationship of employer and employee. Colonial Life shall exercise no direction or control over the time or activities of the Broker or its employees or associates.

**IV. Engagement of Agents**

Broker may engage licensed insurance agents to solicit applications for Colonial Life policies, but these agents must be approved by Colonial Life. The Broker agrees that any agents so engaged shall meet Colonial Life’s requirements for solicitors and that the Broker will provide all relevant information to Colonial Life on its standard forms to ensure such compliance. The Broker agrees that only properly licensed and appointed agents are allowed to solicit applications on behalf of Colonial Life. The Broker shall be solely responsible for compensating any agents engaged by Broker to solicit applications on behalf of Colonial Life, and shall indemnify and hold Colonial Life harmless from any and all claims for compensation asserted against the Company by such agents. Broker shall carefully review all insurance applications, master applications and other materials related to an applicant or account for completeness and legibility of information supplied, and shall make a full disclosure to Colonial Life of all factors which might affect the acceptance of the account or applicant. Broker shall promptly forward all premiums, applications and other material related to the account or applicant to the home office of Colonial Life.

**THIS AGREEMENT IS SUBJECT TO ARBITRATION**

## **V. Limits of Authority**

The Broker is not authorized to make or amend any contract, incur any debt, or extend any credit on behalf of Colonial Life; or alter, waive or modify any of the terms, conditions or limitations of any application for insurance or policy issued; or waive any of Colonial Life's rights or privileges under any agreement made by Colonial Life, or under Company policies and guidelines, or under any insurance policy or application. Broker agrees that if it obligates Colonial Life in any manner prohibited by this section, Broker shall be liable to Colonial Life for any loss resulting therefrom, including but not limited to costs and attorneys fees incurred by the Company in defending claims asserted by third parties. In addition to any other remedies available, Colonial Life shall have the right to deduct such loss from any commissions, bonuses or other compensation due Broker under this or any other agreement between Broker and the Company or the Company's corporate affiliates.

## **VI. Compensation of Broker**

- A.** Commissions shall be payable to the Broker on premium which Colonial Life codes to Broker during the term of this Agreement. Commissions payable shall be based on actual premiums received. The payment of these commissions shall constitute full compensation for these services rendered by Broker.
- B.** Commissions may be either First Year Commissions or Renewal Commissions. First Year Commissions are commissions payable on the premiums credited by Colonial Life on a policy for the first twelve (12) months immediately following the policy effective date. Renewal Commissions are commissions payable on the premiums credited by Colonial Life on a policy during the second and subsequent years following the policy effective date. Except as provided in Section VII below, Renewal Commissions shall be payable to Broker as long as Broker maintains \$12,000 in-force annualized premium at the end of the second calendar year of this Agreement and each subsequent year thereafter.
- C.** All commissions shall be earned in accordance with the terms of the Schedule of Commissions published by Colonial Life. Such Schedule and any amendments thereto shall be incorporated herein by reference and become a part of this Agreement. Colonial Life reserves the right to change the terms of the Schedule of Commissions at any time and will publish such changes and the effective date thereof. Any such change in the Schedule of Commissions shall not affect commissions due or to become due on insurance applications submitted prior to the effective date of the change.
- D.** In its sole discretion, Colonial Life may elect to advance certain commissions payable under this Agreement to Broker. It is specifically agreed that any advances made to Broker are an advance of future earnings. Colonial Life shall have a right of offset against commissions, bonuses or other compensation payable to Broker under this or any other Agreement between Broker and the Company or the Company's corporate affiliates, in order to repay any such advances made. All advances and repayment thereof shall be made in accordance with such policies and guidelines as are from time to time established by Colonial Life. If Colonial Life determines at any time and for any reason that advances should be discontinued, Broker shall not be eligible to qualify for any future advances.
- E.** Colonial Life shall have a first lien on all commissions earned under this Agreement for any debt due Colonial Life from Broker. Colonial Life may at any time deduct any indebtedness of Broker to Colonial Life from any monies due Broker under this Agreement, or from any other source, including, but not limited to, any other agreement between Broker and a corporate affiliate of Colonial Life.
- F.** Where permitted by law, Colonial Life may from time to time find it necessary to enter into an agreement with an account to pay an administrative fee or otherwise reimburse the account for expenses incurred. If Colonial Life enters into an agreement with an account to pay an administrative fee or other expenses, commissions otherwise payable under this Agreement to Broker on business written in the account may be adjusted to deduct the costs of such fee or expenses.
- G.** Colonial Life may, at its discretion, elect to pay any commissions in accordance with an agreement between or among Broker and other persons. However, Broker acknowledges that Colonial Life shall not be a party to or be bound by such an agreement, and that Colonial Life may at any time refuse to pay or continue paying commissions in accordance with such an agreement.
- H.** For purposes of this Agreement, the term "code" refers to the manner in which accounts, applications, policies, premium and members of the sales organization are assigned in Colonial Life's records.
- I.** For the purpose of this Agreement, the phrase "corporate affiliate" means the ultimate parent company of Colonial Life, and any corporate subsidiary within such parent company's holding company system other than Colonial Life.

## **VII. Termination**

This Agreement may be terminated by either party upon written notice to the other. Except as provided in this section, termination of this Agreement shall not impair the Broker's right to receive First Year and Renewal Commissions as may accrue on premium coded to the Broker prior to termination, so long as Broker maintains renewal qualifications as set forth in

Section VI-B above. If Broker engages in any act of dishonesty or malfeasance in the transaction of business, or if Broker breaches this Agreement, then Broker's right to receive further commissions hereunder shall immediately terminate.

**VIII. Monthly Statements**

Colonial Life will provide Broker a monthly statement of compensation. Broker agrees to examine each monthly statement and to notify Colonial Life, in writing, of specific mistakes or discrepancies in the statement. Failure of Broker to so notify Colonial Life in writing within sixty (60) days shall be an admission of the correctness of such statement and shall bar any claims to the contrary against Colonial Life.

**IX. Accounts, Records, Equipment**

Broker shall maintain accurate records concerning all business transacted pursuant to this Agreement. All records, books of accounts and documents of any kind connected to this business shall be open to inspection, copying and audit by representatives of Colonial Life at all times. Broker agrees to take appropriate measures to protect the confidentiality of the records of the Company and insured. All sales, promotional and other materials or property of Colonial Life furnished to Broker shall, upon termination of this Agreement, be returned to Colonial Life on demand.

**X. Advertising**

The Broker shall not, without the prior written approval of Colonial Life, publish or distribute any advertising material, supplies or other printed or written material concerning Colonial Life or its products.

**XI. Death**

If at the time of Broker's death any monies are payable to Broker pursuant to the terms of this Agreement, Colonial Life will, after first deducting any indebtedness to Colonial Life, pay such monies as they accrue to the estate of Broker.

**XII. Assignment**

No assignment of this Agreement or of any commissions accrued or to accrue under this Agreement shall be valid as against Colonial Life unless authorized in writing by Colonial Life. Colonial Life does not assume any responsibility for or guarantee the validity or sufficiency of any assignment.

**XIII. Underwriting; Cancellation**

Colonial Life reserves the right to cancel any contract of insurance, in accordance with its terms. Colonial Life reserves the right to prescribe guidelines regulating the eligibility requirements for applicants for insurance, and shall have the right in its sole discretion to approve or reject any application for insurance.

**XIV. Waiver**

Failure of Colonial Life to insist upon strict compliance with any provision of this Agreement shall not constitute a waiver of the provision.

**XV. Notice**

Any written notice, request, instruction or document to be given under this Agreement by any party to the other may be delivered personally or sent electronically or by first class mail, with postage duly affixed, to the other party at their last known address. Electronic notice to Broker from Colonial Life shall be delivered by transmission of an e-mail to Broker at the e-mail address kept in Colonial Life's files.

**XVI. Binding Effect**

All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the heirs, successors and assigns of the parties hereto.

**XVII. Jurisdiction**

It is agreed that all questions and issues relating to the validity of or performance under this Agreement shall be governed by the laws of the State of South Carolina.

**XVIII. Arbitration**

Every claim, controversy or dispute arising out of or related to this Agreement, or the breach thereof, which cannot be settled through negotiation shall be settled by binding arbitration administered by the American Arbitration Association (AAA) pursuant to the AAA's Commercial Arbitration Rules. A copy of said Commercial Arbitration Rules, as well as forms to demand arbitration thereunder, may be obtained from the American Arbitration Association. In the event that a party initiates a lawsuit in court concerning an arbitrable claim, controversy or dispute such party shall be liable to the other party for the costs, including attorneys fees, that the other party incurs to obtain an order from the court to stay or dismiss the lawsuit or otherwise compel arbitration. Arbitration hereunder must be demanded within the relevant statute of limitations applicable to the claim, controversy or dispute. The arbitrator shall be neutral, and shall be a practicing attorney experienced in insurance matters. The arbitrator shall be authorized to award such relief as is allowed by law. The award shall equally apportion between the parties

all costs of the arbitration, including but not limited to, all administrative fees and the arbitrator's compensation and expenses, if any. However, except as provided elsewhere in this Agreement, each party shall be responsible for its own attorney's fees incurred during the course of the arbitration, as well as the costs of any witnesses or other evidence such party produces or causes to be produced. The award of the arbitrator shall include findings of fact and conclusions of law. Such award shall be kept confidential, and shall be final, binding and conclusive on the parties. Judgment on the award may be entered by any court of competent jurisdiction.

**XIX. Captions**

Section titles or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision thereof.

**XX. Severability**

If any one or more of the provisions contained in the sections and subsections of this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained within.

**XXI. Modification; Acknowledgement of Authority**

Broker understands and acknowledges that no modification or amendment of this Agreement shall be valid, nor shall any promise, representation or agreement made by any person be binding on Colonial Life, unless approved in writing by an authorized officer in Colonial Life's home office in Columbia, South Carolina.

**XXII. Entire Agreement**

This Agreement contains the complete Agreement between the parties and each party hereby warrants that there are no prior agreements or representations that are not set forth herein. This Agreement supersedes, terminates and cancels any previous contracts or agreements between the undersigned and Colonial Life.

**XXIII. Privacy**

Broker shall comply with all applicable federal and state laws protecting the privacy of nonpublic personal information of individuals. To the extent that the Company discloses nonpublic personal information of any individual to Broker, Broker agrees not to use or disclose the information other than to carry out the purposes for which the company disclosed the information to Broker.

By:

\_\_\_\_\_  
Broker Name (Same as Name on Front)

\_\_\_\_\_  
Authorized Officer  
Colonial Life & Accident Insurance Company

By:

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature of Principal or Authorized Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

To: Sales Contract Administration, Fax Number 1-866-433-8917  
Phone: 1-800-438-6423, option 2, then 3

From: \_\_\_\_\_

Re: \_\_\_\_\_

Date: \_\_\_\_\_

Attached is the entire contracting kit required, including:

- Completed Broker Agreement with signature (all pages of agreement)
- Contracting Data Sheet for Broker Individuals
- Completed and signed Background Check & FCRA Consent
- Completed and signed Direct Deposit Authorization, if elected.
- Completed and signed W-9
- FCRA Summary of Rights
- Copy of resident license, as well as any non-resident license for states in which to be appointed.

*Original licensing applications/paperwork is required by each State Department of Insurance. Please do not fax this material to us. It will be necessary for you to mail or overnight these documents to:*

Colonial Life & Accident Insurance Company  
Sales Contract Administration, Mail Stop SC415  
PO Box 1365  
Columbia, SC 29202-1365