

# Standard Insurance Company

## The Standard Life Insurance Company of New York

### EB Producer Appointment and Commission Questionnaire

This questionnaire is for producers wanting The Standard to appoint them to sell **group (employee) benefits** business.

\* Fields marked with a star are required. We need this information to appoint and pay commissions.

1. Who do you want The Standard to appoint?\*

- Self (skip question 2)
- Company (we must appoint your company if they are to be paid commissions)
- Both

2. Are you authorized to sign contracts for the company (are you an owner, partner, principal, president, vice president, or officer of the company)?

- Yes
- No – please have an authorized representative submit this questionnaire for the company.

3a. In what states will you be selling (up to 5 states)?\*

4. Individual's full name (as it appears on your resident license)\*

4a. Individual's social security number (if you are to be appointed)\*

4b. Individual's date of birth (if you are to be appointed)\*

4c. Individual's email address\*

4d. Individual's resident phone number

4e. Individual's business phone number\*

4f. Individual's fax number

4g. Individual's resident street address (if you are to be appointed)\*

4h. Mailing address (to which all mail is to be sent)\*

4i. Mailing street address (required if 4h is a PO Box)

5. Do you want commissions paid to you or to the company? In this questionnaire, we call whomever will receive the commissions the "payee."\*

- Self  
 Company

6. Name of the company to receive the commissions (required if we are appointing or paying commissions to the company)\*

6a. The company's tax ID number (required if we are appointing or paying commissions to the company)\*

If you would like us to pay the commissions by direct deposit, please complete 7a-7d.

7a. Payee's direct deposit bank name

7b. Payee's bank routing number

7c. Payee's account number

7d. Payee's email address (The Standard will send the commission statements to this email if paid by direct deposit)

***You will notify The Standard of any changes to the Payee's email address. Please note that we will assess an annual fee of \$20.00 should you opt out of e-statements while commissions are being earned.***

8. Name of the sales or service person you are working with at The Standard (if applicable)

9a. Has your insurance carrier(s) (e.g. professional liability, general liability, errors & omissions insurer) ever paid a claim based on your acts as an insurance professional or has anyone claimed you are indebted to them based on your involvement in the insurance business?\*

- Yes  No

9b. Have you ever been named as a party to any lawsuit involving allegations of misrepresentation, fraud, theft, misappropriation of funds, or breach of fiduciary duty?\*

- Yes  No

9c. Have you ever had a contract or appointment terminated for alleged misconduct, or has any government entity i) denied, suspended, or revoked your insurance license, or ii) fined, penalized, or disciplined you related to your insurance business?\*

- Yes  No

9d. Do you have any criminal history related to a felony (including arrest, summons, arraignment, charge, pleading, conviction) or have you ever been convicted, plead guilty to, or plead no contest to any misdemeanor involving dishonesty or breach of trust?\*

Yes     No

Explain below (or on an attached sheet) any “Yes” answers. Please be specific and provide dates.

10. Please confirm that you have read, printed, and signed the Producer Sales Contract below.\*

Confirmed

11. In addition to this Questionnaire, please submit the following documents to [producersvcsteam@standard.com](mailto:producersvcsteam@standard.com):

- signed Producer Sales Contract\*
- a photocopy of your license(s)\*
- a [W-9](#)\*
- a voided check for electronic payment

Feel free to contact us at [producersvcsteam@standard.com](mailto:producersvcsteam@standard.com) if you have any questions. We will send you a welcome letter once your appointment is complete.

## Section 1. Appointment

Standard Insurance Company, an insurance company organized and existing under the laws of Oregon and/or The Standard Life Insurance Company of New York, an insurance company organized and existing under the laws of New York, (The Standard, We, Us, Our) hereby contract with and agree to appoint the person or entity named on the signature page (You, Your) as a Producer. This Producer Sales Contract (Contract) is effective on the date determined by The Standard, as indicated herein.

You agree as follows, to:

- 1.1 Solicit and procure applications for The Standard products as listed on any Product & Compensation Amendment in effect and made a part of this Contract, but, in any state that requires pre-appointment, You may not solicit an application for Our products before You are appointed to do so in that state;
- 1.2 Remit all applications and any initial premiums promptly to The Standard's designated administrative office;
- 1.3 Deliver all issued policies promptly to the policyholder in accordance with any delivery instructions;
- 1.4 Provide service to policyholders of The Standard products;
- 1.5 Obtain and keep in good standing all appropriate licenses necessary to solicit applications as authorized under this Contract. We agree to compensate You as provided in this Contract.

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## Section 2. Consideration

In consideration for all of Your duties and obligations contained in this Contract, We grant You the right to sell Our products. We further agree to compensate You according to the applicable Product & Compensation Amendment(s). Your initial Product & Compensation Amendment(s) are attached. New Product & Compensation Amendments may be issued from time to time. Each Product & Compensation Amendment, on its effective date, shall be a part of this Contract and shall determine the products available to sell and all compensation based on applications and increases written from that date to the effective date of Your next Product & Compensation Amendment.

## Section 3. General Provisions

### 3.1 Independent Contractor

You are not an employee of The Standard under this Contract. You are an independent contractor using Your own judgment and guidelines in performing under the terms of this Contract. The Standard shall not determine the place or time that You perform Your duties as a Producer under this Contract, and nothing contained in this Contract shall limit Your right to sell products on behalf of other insurance companies. You are responsible for paying all expenses You incur in carrying out the terms of the Contract.

As a Producer, You are not a full-time salesperson for The Standard. Therefore You are not eligible for any fringe benefit plans in which participation by You or contributions by The Standard are in any way dependent on Your being considered a statutory or common law employee. The Standard will not pay any social security or related taxes on Your commissions or other compensation. All social security and related taxes are payable from Your own funds by You as an independent contractor.

### 3.2 Fidelity Bond and Indemnity Agreement

You are not covered under The Standard's fidelity bond. However, You acknowledge that We may obtain a fidelity bond to cover any liability The Standard may incur as a result of any actions by You or individuals working for You or on Your behalf. You agree to provide reasonable assistance to The Standard in obtaining such a bond. Notwithstanding any fidelity bond, You agree to indemnify and hold The Standard harmless against any damages or losses incurred by The Standard as a result of Your actions or the actions of individuals working for You or on Your behalf.

### **3.3 Claims Against you or The Standard**

You agree to provide timely notice to The Standard and applicable error and omissions insurance carriers as soon as You become aware of any claim against The Standard, You, or any individual working for You or on Your behalf where said claim is in any way related to the sale of The Standard products. You agree to cooperate with these carriers. To the extent such a claim arises out of any act or omission of Yours, or any act or omission of any person working for You or on Your behalf, and full coverage by any errors and omissions carriers is not extended to You, or individuals working for You or on Your behalf, or to The Standard, We have the right to defend said claim, and settle that claim upon receipt of proof satisfactory to Us of the merit of that claim. You will be liable to The Standard and agree to reimburse Us fully for any unreimbursed payments made and any related expenses incurred by Us in the defense and settlement of any such claim that We defend, pay or settle, including costs of counsel employed for such action.

### **3.4 Assignment**

The Standard is relying on Your specific abilities in the performance of Your rights, obligations and duties under this Contract. Therefore, neither this Contract nor any of the rights, obligations or duties under this Contract may be assigned by You without Our prior written approval, which approval may be withheld in Our sole discretion.

### **3.5 Acts Not Authorized**

Your authority extends no further than is specifically stated in this Contract and, except as expressly set forth herein, You shall have no power or authority to act on behalf of The Standard. Specifically, but not limited to the following, You are not authorized:

- (a) To offer for sale, in the name of The Standard, any products not included on the attached Product & Compensation Amendment(s). However, this shall not affect Your ability to sell products on behalf of other insurance companies;
- (b) To make, alter, or discharge contracts in the name of The Standard, waive any right or forfeiture, name extra rates for special risks, or extend the time for paying any premium;
- (c) To incur any debt or liability for or against The Standard, institute any legal proceedings, or bind The Standard in any manner whatsoever, except as provided in Our written receipt for premiums;
- (d) To accept any money or property for or on behalf of The Standard except as described in the applicable Product & Compensation Amendment;
- (e) To create or use any advertisement (all written, oral and pictorial materials designed to reach the public, including but not limited to brochures, newsletters, letters, presentations, web pages, phone scripts, illustrations, business cards, letterhead, mailings or e-mailings) containing The Standard's signature package (logo), referencing The Standard or Our products, or mentioning Our name unless (1) it has first been approved by The Standard in writing, and (2) a copy of the final version has been received by The Standard's designated administrative office before it is used, and (3) it is used in accordance with any conditions and limitations of said approval.

### **3.6 Forfeiture of Contract Rights, Benefits and Compensation**

The Standard, at its option, may declare this Contract null and void, and all Your rights, benefits, and compensation from The Standard (according to Section 2 CONSIDERATION) shall be forfeited, if You do (or You cause or allow any individuals working for You or on Your behalf to do) any of the following:

- (a) Withhold any funds, documents, or property belonging to a policyholder or beneficiary of The Standard, or to a person whose application has not been accepted by The Standard;
- (b) Provide false information on Your Applicant's Declaration or intentionally violate any of the conditions or obligations of this Contract;
- (c) Violate any state or federal insurance, securities, or criminal laws;
- (d) Have Your license to sell insurance products terminated, suspended, censured or restricted by any state.
- (e) Fail to act in a manner consistent with Section 4. Ethical Standard or Section 5. Maintaining Confidentiality of Personal Information.

Nothing herein shall affect The Standard's right to assert any other claim, either in law or in equity, it may have or acquire against You.

### **3.7 Waiver**

The failure of either party to exercise any right or enforce any provision of this Contract shall not be construed as a waiver of that party's right to subsequently exercise that right or enforce that provision.

### **3.8 Attorneys' Fees**

If The Standard prevails in any claim, action or suit to enforce or interpret this Contract, or otherwise with respect to the subject matter of this Contract, You agree to pay all reasonable attorneys' fees and costs incurred by The Standard in any claim, action or suit (including appeals). You also agree to pay all costs of collection of any funds owed by You to The Standard, including reasonable attorneys' fees, regardless of whether any claim, action or suit is filed by The Standard. Conversely, if You prevail in any such action or suit on this Contract, The Standard agrees to pay Your reasonable attorneys' fees and costs.

### **3.9 Amendment of Contract**

The Standard reserves the right to amend any part of this Contract by written notice to You at Your last known address. Any amendment will be effective thirty days from the mailing of such notice, or earlier by mutual written agreement, but no such amendment shall affect compensation payable on policies previously put in force, except by mutual written agreement. Neither this Contract nor any amendment to it shall bind The Standard unless signed by an officer of The Standard Insurance Company and/or The Standard Life Insurance Company of New York. The Standard reserves the right to change any part of a Product & Compensation Amendment at any time. The commission calculations stated in any Product & Compensation Amendment, however, shall continue to apply until such changed Product & Compensation Amendment is provided to You. Product & Compensation Amendments shall be exempt from the officer signature and thirty-day notice requirements.

### **3.10 Termination of Contract**

This Contract may be terminated at any time by mutual written agreement. In addition to The Standard's right to declare an immediate termination for cause specified in paragraph 3.6 FORFEITURE OF CONTRACT RIGHTS, BENEFITS AND COMPENSATION, either You or The Standard may terminate this Contract without cause, by sending thirty days written notice to that effect to the other at the other's last known address. This Contract shall terminate automatically upon Your death or upon the date proceedings in bankruptcy or insolvency are filed by or against You. If You are a partnership, corporation, or any other form of business entity, this Contract will terminate upon any event that legally or contractually causes dissolution of Your business entity.

Termination of this Contract shall not affect Your obligation to repay any debt to The Standard or to account for and return all funds, policies, rate books, training or sales material, and other property of The Standard to the satisfaction of The Standard.

### **3.11 Governing Law**

If You are appointed as a Producer by only Standard Insurance Company, this Contract is governed by the laws of the State of Oregon. If You are appointed as a Producer only by The Standard Life Insurance Company of New York, this Contract is governed by the laws of State of New York. If You are appointed as a Producer by both Standard Insurance Company and The Standard Life Insurance Company of New York, this Contract is governed by the laws of the State of Oregon.

## **Section 4. Ethical Standard**

The Standard requires all Producers for Our products to pledge to conduct business according to the highest principles of honesty, integrity and pride, always putting the needs of the customer first:

- 4.1** To conduct a thorough interview to determine the customer's needs and clearly disclose when the purchase or replacement of insurance policies is being proposed as part of a sales presentation;
- 4.2** To ensure that the customer understands the costs and benefits of any product or proposal;
- 4.3** To distinguish clearly between the guaranteed and non-guaranteed elements of any product or proposal, and make the customer aware of product conditions or limitations, and of any features that could change over time;
- 4.4** To treat all customers as the Producer would want to be treated, and to maintain personal and professional conduct that enhances reputation of both Producer and The Standard.

If You are appointed as a Producer by only Standard Insurance Company, this Contract is governed by the laws of the State of Oregon. If You are appointed as a Producer only by The Standard Life Insurance Company of New York, this Contract is governed by the laws of State of New York. If You are appointed as a Producer by both Standard Insurance Company and The Standard Life Insurance Company of New York, this Contract is governed by the laws of the State of Oregon.

## Section 5. Maintaining Confidentiality of Personal Information

The Standard is committed to safeguarding the privacy of The Standard's customers and is dedicated to maintaining the confidentiality of their personal information. In the course of Your duties under this Contract, You may obtain personal information about The Standard's customers. The Standard requires You to maintain the confidentiality of such personal information and to abide by all applicable federal and state privacy laws.

You shall not use or disclose any such personal information You obtain in the course of Your duties under this Contract for any purpose unrelated to Your duties under this Contract. You shall not disclose such personal information to third parties without prior written consent of The Standard or the customer. You shall not, under any circumstances, use or disclose such personal information for Your own purpose, such as selling personal information to third parties. You shall also implement reasonable safeguards to protect such personal information from unauthorized or inadvertent use or disclosure. The Standard reserves the right to periodically audit Your privacy practices and procedures to ensure compliance with federal and state laws and with The Standard's corporate privacy policy.

## Section 6. Electronic Deposit

By Your signature on the Contract, You request and authorize The Standard to initiate electronic deposit credit entries to the above account. You agree to notify The Standard as soon as reasonably possible of any changes to the account designated. Such notification shall allow The Standard and the Financial Institution sufficient time to act on the change notification. You shall make any such change notification in writing or on the Producers Online Web site.

## Section 7. Disclosure Authorization and Notice

You authorize all persons and entities to release all written and verbal information about You to The Standard. You release and agree to hold each harmless from all liability and responsibility for doing so.

You specifically understand and authorize the procurement of an investigative consumer credit report and understand that in all likelihood it will contain information about Your background, mode of living, character, general reputation, and personal characteristics. You further understand that upon written request You will be given a list of all the areas which will be researched and included in the investigative report into Your background.

You have read and understand the Summary of My Rights Under the Fair Credit Reporting Act that was provided to You by The Standard.

This authorization, in original or copy form, is valid now or at any time in the future. You agree with all the provisions shown in this disclosure form and have been provided a copy of this document.

## Section 8. Accuracy

By Your signature on this Contract, You affirm that the information You provided in the Producer Appointment and Commission Questionnaire is true and complete.

## The Following Parties Agree to the Terms of This Contract:

|   |   |
|---|---|
| <b>Producer:</b><br><br>_____<br>YOUR NAME (Please print)<br>(If Your Company is executing the Contract, give Company name)<br><br>_____<br>YOUR SIGNATURE<br>(or Officer signature if Company is executing the Contract)<br><br>_____<br>TITLE of OFFICER (if the Company is executing the contract) | <b>STANDARD INSURANCE COMPANY:</b><br><br>_____<br>STANDARD INSURANCE COMPANY OFFICER SIGNATURE<br><br>_____<br>TITLE<br><br><b>THE STANDARD LIFE INSURANCE COMPANY OF NEW YORK:</b><br><br>_____<br>THE STANDARD LIFEINSURANCE COMPANY OF NEW YORK OFFICER SIGNATURE<br><br>_____<br>TITLE<br><br><i>Home Office Use Only</i><br><b>Effective Date</b> _____ |
|---|---|



Para informacion en espanol, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, DC 20580.

## A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, DC 20580.**

**• You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address and phone number of the agency that provided the information.

**• You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

- A person has taken adverse action against you because of information in your credit report;
- You are the victim of identity theft and place a fraud alert in your file;
- Your file contains inaccurate information as a result of fraud;
- You are on public assistance;
- You are unemployed but expect to apply for employment within 60 days.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for additional information.

**• You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.

**• You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.

**• Consumer reporting agencies must correct or delete inaccurate, incomplete or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

**• Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

**• Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need - usually to consider an application with a creditor, insurer, employer,

landlord, or other business. The FCRA specifies those with a valid need for access.

**• You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).

**• You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-567-8688.

**• You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

**• Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:**

| TYPE OF BUSINESS:   | CONTACT:   |
|---|--|
| Consumer reporting agencies, creditors and others not listed below  | <b>Federal Trade Commission: Consumer Response Center - FCRA</b><br>Washington, DC 20580<br>1-877-382-4357   |
| National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)        | <b>Office of the Comptroller of the Currency</b><br>Compliance Management<br>Mail Stop 6-6<br>Washington, DC 20219<br>1-800-613-6743                           |
| Federal Reserve System member banks (except national banks and federal branches/agencies of foreign banks)                            | <b>Federal Reserve Board Division of Consumer &amp; Community Affairs</b><br>Washington, DC 20551<br>202-452-3693  |
| Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name) | <b>Office of Thrift Supervision</b><br>Consumer Complaints<br>Washington, DC 20552<br>800-842-6929   |
| Federal credit unions (words "Federal Credit Union" appear in institution's name)   | <b>National Credit Union Administration</b><br>1775 Duke Street<br>Alexandria, VA 22314<br>703-519-4600  |
| State-chartered banks that are not members of the Federal Reserve System  | <b>Federal Deposit Insurance Corporation</b><br>Consumer Response Center<br>2345 Grand Avenue, Suite 100<br>Kansas City, Missouri 64108-2638<br>1-877-275-3342 |
| Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission                   | <b>Department of Transportation</b><br>Office of Financial Management<br>Washington, DC 20590<br>202-366-1306  |
| Activities subject to the Packers and Stockyards Act of 1921  | <b>Department of Agriculture</b><br>Office of Deputy Administrator - GIPSA<br>Washington, DC 20250<br>202-720-7051   |



## **Section 1. Amendment of Producer Sales Contract**

This Product & Compensation Amendment is effective July 1, 2015. Except as otherwise expressly set forth herein, this Product & Compensation Amendment supersedes and completely replaces any and all previous Product & Compensation Amendments for group disability, life, the AD&D accidental death and dismemberment, dental and vision insurance products (Core Products) under the Producer Sales Contract (Contract) between You (Producer, You, Your) and Standard Insurance Company and/or The Standard Life Insurance Company of New York (The Standard, We, Us, Our). This Product & Compensation Amendment is added to and shall become a part of Your Contract with The Standard and, except as expressly provided for herein, all of the terms and conditions of Your Contract shall remain in full force and effect.

## **Section 2. Products**

This Product & Compensation Amendment authorizes You to take applications for any of Our group disability, life, the AD&D accidental death and dismemberment, dental and vision insurance products (Core Products) and to service such policies where the policyholder or prospective policyholder ("customer") has designated You as producer of record.

## **Section 3. Compensation**

- 3.1** Compensation to You consists of commissions, contingent compensation (if eligible) or fees (if agreed to) (collectively "compensation") on approved policies for which You are the duly licensed and appointed producer of record. Contingent compensation is compensation that is contingent on the satisfaction of one or more minimum requirements, such as a specified amount of new premium volume or persistency in connection with the producer's block of business. Compensation shall be payable to You as premiums for such policies are received in cash by The Standard, subject to The Standard's established practices in effect at the time, including any disbursement minimum. For income and other tax reporting purposes, The Standard will report all income paid under this Contract to You.
- 3.2** Any compensation payable on policies sold or serviced by producers working for You or on Your behalf who have named You as Payee in their Producer Sales Contract will be paid to You. You will be responsible for payment of any compensation to said producers based on the sale of The Standard Core Products or service to The Standard customers.
- 3.3** Compensation shall be payable on policies for which You are designated in writing by the customer as the producer of record and where such designation is in effect on the date the premium is received. When the producer of record for a policy changes, such change shall be effective only after written notification from the customer is received and approved at Our designated administrative office. Compensation is payable on the same basis as they would have been payable to the prior producer of record. If the commission rate for such policy is other than that currently published in The Standard's Schedule of Group Commission Rates, The Standard will notify the new producer of record in writing of the applicable rate.
- 3.4** The amount of commissions or fees is determined separately for each policy according to the type of insurance and the amount of premium received by The Standard. Commission rates will be determined by The Standard's Schedule of Group Commission Rates in effect when the policy becomes effective, except by mutual agreement between the producer and The Standard. Any such commission rate that is not otherwise specified in The Standard's Schedule of Group Commission Rates will be separately confirmed in writing by The Standard. Commission for policies other than those referred to in Section 2. PRODUCTS are determined by The Standard. In all cases involving a disputed or questionable compensation claim, The Standard's decision shall be binding and conclusive.
- 3.5** Producer shall disclose to the customer at proposal, renewal and at the customer's request, the source and amount of Producer's compensation related to that customer's Core Products with The Standard as soon as producer compensation is finalized.
- 3.6** No compensation will be paid on premiums waived by The Standard for any reason.
- 3.7** All compensation paid to You as provided in Section 3. COMPENSATION on any premiums that are subsequently returned or otherwise not received by The Standard shall, upon Our demand, become a debt due from You to The Standard, payable according to Section 4. REPAYMENT OF INDEBTEDNESS.
- 3.8** Compensation as described herein shall be payable only as long as You are duly licensed by and appointed with the appropriate governmental authorities. No compensation shall be payable on premiums received after the effective date of the termination of Your Contract with The Standard.

## **Section 4. Repayment of Indebtedness**

The Standard reserves the right to recover from the producer any debt or overpayment of compensation, without limitation or restriction as to the cause of such debt or overpayment. You agree to repay any debt or overpayment you owe to The Standard promptly to Us, including reasonable interest as determined by Us. At Our sole discretion, We can elect to offset such debt or overpayment against any compensation payable to You by The Standard.

## **Section 1. Amendment of Producer Sales Contract**

This Product & Compensation Amendment is effective July 1, 2015. Except as otherwise expressly set forth herein, this Product & Compensation Amendment supersedes and completely replaces any and all previous Product & Compensation Amendments for group accident, hospital indemnity and critical illness (specified disease in New York and Vermont) insurance products (Supplemental Insurance Products) under the Producer Sales Contract (Contract) between You (Producer, You, Your) and Standard Insurance Company and/or The Standard Life Insurance Company of New York (The Standard, We, Us, Our). This Product & Compensation Amendment is added to and shall become a part of Your Contract with The Standard and, except as expressly provided for herein, all of the terms and conditions of Your Contract shall remain in full force and effect.

## **Section 2. Products**

This Product & Compensation Amendment authorizes You to take applications for any of Our group accident, hospital indemnity and critical illness (specified disease in New York and Vermont) insurance products (Supplemental Insurance Products) and to service such policies where the policyholder or prospective policyholder ("customer") has designated You as producer of record.

## **Section 3. Compensation**

- 3.1** Compensation to You consists of commissions, contingent compensation (if eligible) or fees (if agreed to) (collectively "compensation") on approved policies for which You are the duly licensed and appointed producer of record. Contingent compensation is compensation that is contingent on the satisfaction of one or more minimum requirements, such as a specified amount of new premium volume or persistency in connection with the producer's block of business. Compensation shall be payable to You as premiums for such policies are received in cash by The Standard, subject to The Standard's established practices in effect at the time, including any disbursement minimum. For income and other tax reporting purposes, The Standard will report all income paid under this Contract to You.
- 3.2** Any compensation payable on policies sold or service by producers working for You or on Your behalf who have named You as Payee in their Producer Sales Contract will be paid to You. You will be responsible for payment of any compensation to said producers based on the sale of The Standard Supplemental Products or service to The Standard customers.
- 3.3** Subject to Section 4 VESTING, Compensation shall be payable on policies for which You are designated in writing by the customer as the producer of record and where such designation is in effect on the date You enroll individuals under such policies and the premium is received for those individuals. When the producer of record for a policy changes, such change shall be effective only after written notification from the customer is received and approved at Our designated administrative office. If the commission rate for such policy is other than that currently published in The Standard's Schedule of Group Commission Rates, The Standard will notify the new producer of record in writing of the applicable rate. Notwithstanding a change in the producer of record, compensation shall vest in You in accordance with Section 4. VESTING.
- 3.4** The amount of commissions or fees is determined separately for each policy according to the type of insurance and the amount of premium received by The Standard. Commission rates will be determined by The Standard's Schedule of Group Commission Rates in effect when the policy becomes effective, except by mutual agreement between the producer and The Standard. Any such commission rate that is not otherwise specified in The Standard's Schedule of Group Commission Rates will be separately confirmed in writing by The Standard. Commission for policies other than those referred to in Section 2. PRODUCTS are determined by The Standard. In all cases involving a disputed or questionable compensation claim, The Standard's decision shall be binding and conclusive.
- 3.5** Producer shall disclose to the customer at proposal, renewal and at the customer's request, the source and amount of Producer's compensation related to that customer's Supplemental Products with The Standard as soon as producer compensation is finalized.
- 3.6** No compensation will be paid on premiums waived by The Standard for any reason.
- 3.7** All compensation paid to You as provided in Section 3. COMPENSATION on any premiums that are subsequently returned or otherwise not received by The Standard shall, upon Our demand, become a debt due from You to The Standard, payable according to Section 5. REPAYMENT OF INDEBTEDNESS.

#### **Section 4. Vesting**

Should either You or The Standard terminate Your Contract or You are no longer the producer of record for a policy, compensation will be payable as follows:

- 4.1** If termination of Your Contract or if You are no longer the producer of record for a policy results from other than forfeiture under the FORFEITURE OF CONTRACT RIGHTS, BENEFITS AND COMPENSATION provision of Your Contract, commissions for the Supplemental Insurance Products will continue to be paid to You as if Your Contract was still in force, for each individual enrolled under policies while You were the producer of record from the effective date of coverage for each individual, assuming we continue to receive premium for each individual or where prior to termination of Your Contract, any other Producer has designated You as Payee for said Producer's compensation. However, no contingent compensation or fees of any kind will be payable after termination of Your Contract or where you are no longer the producer of record for a policy. All commissions will terminate automatically upon Your death. Notwithstanding the foregoing, if after termination of Your Contract or after You are no longer the producer of record for a policy, You do any act listed in the FORFEITURE OF CONTRACT RIGHTS, BENEFITS AND COMPENSATION provision of Your Contract, no compensation of any kind will be paid to you.
- 4.2** If termination of this Contract or if You are no longer the producer of record for a policy is a result of forfeiture under FORFEITURE OF CONTRACT RIGHTS, BENEFITS AND COMPENSATION provision of Your Contract, no compensation of any kind, including but not limited to, where another Producer has designated You as Payee for said Producer's compensation, will be paid to You after such termination and forfeiture.

#### **Section 5. Repayment of Indebtedness**

The Standard reserves the right to recover from the producer any debt or overpayment of compensation, without limitation or restriction as to the cause of such debt or overpayment. You agree to repay any debt or overpayment you owe to The Standard promptly to Us, including reasonable interest as determined by Us. At Our sole discretion, We can elect to offset such debt or overpayment against any compensation payable to You by The Standard.