

Legacy Marketing Group

☐ P. O. Box 7873, San Francisco, California 94120-7873 • Telephone (800) 395-1053 • Fax (707) 778-1524

☐ 418 East Second Avenue, Rome, GA 30161-3224 • Telephone (800) 300-0519 • Fax (800) 813-6095

Producer Application & Contracting Appointment Checklist

In order to process your Producers/Wholesaler Application Agreement and state appointment(s), the following information is required:

- ☐ Producer/Wholesaler Application Agreement (11154L/0222)
- ☐ Producer Authorization Form (LMG1119F 0997)
- ☐ Articles of Incorporation, Corporate Resolution, or Partnership Agreement (mandatory for all Corporate or Partnership/LLC Contracts)
- ☐ Resident license (Corporate and/or Individual)
- ☐ Proof of current Errors & Omissions Insurance required for Kansas, Kentucky, and Rhode Island
- ☐ Virginia Administrative Letter (Virginia appointments only – 10226MKTG/1229)
- ☐ Original resident appointment form is required in Hawaii, Massachusetts, and Georgia; a non-resident appointment form is required in West Virginia.
- ☐ Home State Letter of Certification (required for non-resident appointments in Massachusetts, South Carolina and West Virginia)
- ☐ Marketing Guidelines for LMG Annuity and Life Insurance Products (11211MKGT/0507)
- ☐ Additional items may be required for appointments with Investors Insurance Corporation, American Investors Life Insurance Company (available in Washington only), State Life Insurance Company (LTC), John Hancock Life Insurance Company (LTC) and Bankers United Life Insurance Company of New York (available in New York only). Please refer to the carrier specific instructions for more information.

Note: Once your Producer/Wholesaler Application Agreement is approved and resident state appointment(s) processed, you will be able to submit business for those carriers with whom you are appointed for a period of ninety (90) days prior to executing your final contract with Legacy Marketing Group. Additional items may be required prior to receiving commissions depending upon the carrier. Please refer to the carrier specific instructions for more information.

Please refer to LegacyNet for the most current carrier and product information.

The following details any items required by the carriers prior to processing your resident and/or non-resident appointment(s):

American National Insurance Company

- ◆ *You must be licensed and appointed in your resident state, as well as in each state in which your downline is writing business, in order to receive commission overrides*

John Hancock Variable Life Insurance Company

- ◆ *You must be licensed and appointed in your resident state, as well as in each state in which your downline is writing business, in order to receive commission overrides. There will be no grace period provided and no exception can be made to this carrier rule.*

Transamerica Life Insurance and Annuity Company

- ◆ *You must be licensed and appointed in your resident state in order to receive commission overrides*

Investors Insurance Corporation

- ✓ MarkOneSM Training Acknowledgment Form
- ◆ *You must be licensed and appointed in any state where your downline is writing business, in order to receive commission overrides.*

American Investors Life Insurance Company (Washington state only)

- ✓ American Investors Life Insurance Company Signed Sub-Agent Contract
- ✓ American Investors Life Insurance Company Appointment Data Sheet
- ◆ *You must be licensed and appointed in your resident state, as well as in Washington in order to receive commission overrides*

Bankers Life Insurance Company of New York (New York state only)

- ✓ Original Bankers Life Insurance Company Agent Contract
- ✓ Original Bankers Life Insurance Company Agent Contract Cover Sheet
- ✓ New York state license
- ◆ *You must be licensed and appointed in your resident state, as well as in New York in order to receive commission overrides*

State Life Insurance Company (Long Term Care only)

- ✓ Original State Life Insurance Company Sub-Agent Agreement
- ✓ Resident and/or non-resident appointment fees made payable to State Life
- ✓ Additional appointment forms are required in Georgia and Massachusetts
- ✓ CE Certificate for LTC, as currently required for California, Colorado, Illinois, Indiana and Washington
- ✓ Appointment not available in Alaska, Alabama, Hawaii, New York and Wyoming

John Hancock Life Insurance Company (Long Term Care only)

- ✓ John Hancock LTC Appointment Datasheet
- ✓ Non-resident appointment fees made payable to John Hancock Life Insurance
- ✓ Additional appointment forms are required in Georgia and Massachusetts (individual only), West Virginia (non-resident), and Ohio (corporation only).
- ✓ CE Certificate for LTC, as currently required for California, Colorado, Connecticut, Delaware, Illinois, Indiana, Maryland, North Carolina and Washington

Note: If you are requesting an additional appointment, please submit the “Additional Appointment Request Form” (10335F/0217).

Legacy Marketing Group continues to offer new and exciting products. Please refer to LegacyNet for the most current carrier and product information.

LEGACY MARKETING GROUP

Producer/Wholesaler Appointment Application

2090 Marina Avenue, Petaluma, CA 94954-6714 • Telephone: 800-395-1053 • Fax: 707-765-5841 — 418 East Second Avenue, Rome, GA 30161-3224 • Telephone: 800-300-0519 • Fax: 706-368-5992

Application For Producer Wholesaler (If seeking to be contracted as a Wholesaler, please visit legacynet.com for additional required information.)

PART I — Applicant is An Individual Corporation (Please attach copy of Articles of Incorporation.) Partnership Other

I request LMG make application(s) to the Departments of Insurance for the appointment authorizing the solicitation of applications on behalf of its authorized companies. I understand that I cannot solicit applications for the company(ies) until I am duly licensed and appointed with LMG's authorized companies.

PART II — APPLICANT NAME AND ADDRESS INFORMATION

Mr. Ms.

Last Name _____ First Name _____ Middle Initial _____ SSN _____-_____-____

Business Name _____ TIN/EIN _____ DOB ____/____/____

(Please view general instructions concerning Taxpayer Identification Number (TIN) information on legacynet.com.)

Do you plan to sell using a DBA? Yes No If so, please provide the supporting documentation, i.e., approval of required jurisdiction(s).

Business (Principal) Address _____

STREET ADDRESS

CITY

STATE

ZIP

Residential Address _____

STREET ADDRESS

CITY

STATE

ZIP

Business Phone Number _____-_____-_____ Home Phone Number _____-_____-_____ Fax Number _____-_____-_____

Cell Phone Number _____-_____-_____ E-Mail Address _____

How long at this residence address? _____ Years _____ Months If less than five years, please provide addresses for the past five years.

Street _____ City _____ State _____ ZIP _____

Street _____ City _____ State _____ ZIP _____

Beneficiary Name _____ Beneficiary Date of Birth ____/____/____ Beneficiary SSN _____-_____-_____

PART III — APPOINTMENT HISTORY AND APPOINTMENTS SOUGHT

1) How long have you been an insurance agent or broker? _____
Please list all of the companies that you currently represent or have represented in the last five years. (Use additional sheets if necessary.) _____

2) Companies to be appointed with American National Insurance Company IL Annuity and Insurance Company
 Transamerica Life Insurance and Annuity Company John Hancock Variable Life Insurance Company Other _____

3) In the state(s) of _____

PART IV — BACKGROUND INFORMATION

The following questions must be answered by the applicant. If the applicant is a corporation or partnership, the questions apply to the entity and to each of its principals and officers. **If you answer YES to any question, please provide a detailed explanation on a separate sheet of paper and provide supporting documentation.**

1. Have you ever been charged with, convicted of, or pled guilty or no contest to a felony or misdemeanor? Yes No
2. Are there any administrative or criminal charges, indictments, or proceedings pending against you? Yes No
3. Have you, or any business of which you were or presently are a principal, been involved in a bankruptcy action, or compromised liabilities, with creditors or been insolvent? Yes No
4. Have you been a plaintiff or defendant in any court proceeding within the last seven years? Note: You may omit actions involving matters of family law. Yes No
5. Have you ever had any license denied, suspended, or revoked, or been the subject of any disciplinary or administrative action, or fined or penalized? Yes No
6. Have you ever had any company appointments involuntarily terminated other than for non-production? Yes No
7. Are there any outstanding judgments, liens, or garnishments against you or any business of which you were or presently are a principal? Yes No
8. Do you have unresolved matters pending with the Internal Revenue Service or other taxing authority? Yes No
9. Does any insurer, general agent, agent, or broker claim you are indebted to it for unpaid premiums, mishandling collateral, losses sustained, or any other reason? Yes No
10. Has any E&O carrier denied, paid claims on, or canceled your coverage? Yes No
11. Are you currently covered under an E&O insurance policy? (Please provide a copy of the policy face page or certificate of insurance.) Yes No
12. Has a bonding or surety company denied, canceled, paid out on, or revoked a bond for you? Yes No
13. Are you currently bonded? Yes No

PART V — NOTICE OF RELEASE

I have thoroughly reviewed this application and have answered all questions to the best of my knowledge. By signing below, I hereby agree to all matters set forth above and below, including the acknowledgment authorization and release set forth herein. This application is contingent upon LMG's completion of its investigation of the applicant's background, as contemplated herein, and upon LMG's approval. Producer acknowledges that if this Application is approved by LMG, Producer must read, execute, and return the Producer agreement to LMG, which establishes the rights and obligations of the Producer and LMG. I certify: (1) the taxpayer numbers shown on this form are correct and (2) the IRS has not notified me that I am currently subject to backup withholding.

Print Applicant Name _____ Applicant Signature _____ Date _____

PART VI — SIGNATURE SECTION (IMMEDIATE MANAGER ONLY)

I have reviewed the contract, and to the best of my knowledge, the applicant has answered all questions accurately. Recommended Contract Level _____

Recommended LTC Level _____ Producer Referred by _____ Producer Service Team _____ Date _____

Print Manager's Name _____ Manager's Signature _____ Manager's Producer Number _____

FOR LEGACY MARKETING GROUP USE ONLY

By _____ Title _____ Effective Date _____

Producer Number _____ Contract Level _____

PRODUCER/WHOLESALE AGREEMENT

This Producer Agreement is made by and between the "Producer," and Legacy Marketing Group (hereinafter referred to as "LMG"). Producer and LMG have executed this Agreement which shall become effective on the date LMG accepts and approves, i.e., the "Effective Date." Neither LMG nor the Producer shall have any right, obligation, or liability hereunder prior to the Effective Date.

Producer hereby authorizes LMG to cause Producer to be appointed with any insurance company having a marketing agreement with LMG (collectively "Authorized Companies").

1. Independent Contractor and Scope of Authority

The Producer is not an employee of LMG, but is an independent contractor and is free to contract with other insurance companies at any time during the term of this Agreement. The Producer may represent the Authorized Companies in any state in which the Producer is properly licensed and appointed and such Authorized Companies are duly licensed. Producer will not attempt to represent the Authorized Companies in a state where Producer is not properly licensed and appointed or in which the Authorized Company is not duly licensed.

Producer and LMG agree that: (1) LMG shall not dictate when and where Producer may work, except as limited by state licensing and regulatory agencies; (2) any training provided Producer by LMG shall be for the purposes of increasing Producer's general insurance industry and sales knowledge as well as compliance with state regulations, and not for the purposes of dictating the precise methods Producer must use to carry out his/her business; (3) LMG shall not hire, supervise or pay any assistants of Producer; (4) LMG shall not set Producer's hours of work; (5) Producer must perform Producer's work on premises other than LMG's; and (6) LMG shall not pay Producer's business or travel expenses.

2. Rights and Obligations of LMG

LMG shall pay commissions (including trailing, overrides, and renewals) to Producer in such amounts at such times and upon such terms and conditions as provided solely in this Agreement and in applicable Compensation Schedules established and amended from time to time by LMG, which schedules are expressly incorporated herein by reference. In the event of a conflict between the schedules and this Agreement, the schedules shall control. In order to remain qualified to receive such commissions, the Producer must remain in compliance with the terms, provisions, and covenants of this Agreement, including those terms, provisions, and covenants that survive the termination of this Agreement.

The Producer is vested as to any commissions earned prior to termination of this Agreement. Producer's right to receive commissions, regardless of any vesting in such commissions or bonuses, ceases immediately upon the termination of this Agreement for cause or upon Producer's violation of Sections 3, 8, 10, or 11, of this Agreement. In the event of Producer's death, Producer's beneficiary, as designated by Producer in the corresponding Producer Application, shall be entitled to all commissions to which Producer would be entitled had Producer not died. Producer shall have the right to change the beneficiary for the purposes of this Section 2 at any time by providing written notice of same to LMG. LMG's obligation to pay any vested commissions to Producer's beneficiary shall cease if such beneficiary does not possess insurance agent licensure, if so required by law. In the event that a beneficiary has not been designated, LMG's obligation to pay any such commissions hereunder shall cease.

Commissions shall be as stated in the Compensation Schedule except as follows: (i) commissions on group products may be negotiated; (ii) commissions on replacements, conversions, transfers, and ratings shall be paid in accordance with LMG's rules in effect at that time, whether

or not previously communicated to Producer; and (iii) LMG reserves the right to revise the commission rates and eligibility requirements for contracts, as well as the obligations that are imposed upon the Producer with respect thereto, provided, however, that such revision(s) shall apply only to applications for insurance received by an Authorized Company more than 30 days after the revised compensation schedules and/or eligibility requirements have been issued by LMG.

In the event that LMG is in the possession of commissions or compensation owed to Producer due to Producer's failure to notify LMG of his current address, and LMG has made reasonable attempts to locate Producer, Producer expressly waives any rights thereto.

LMG shall not pay commissions on internal transfers and/or surrenders, including partial amounts or penalty-free withdrawals. Further, LMG shall not pay commissions on 1035 exchanges, replacements, partial amounts, or penalty-free withdrawals or direct transfers between LMG's Authorized Companies and/or affiliates that distribute insurance products through LMG.

If total payments to the Producer or Producer's beneficiary during any calendar year following termination of this Agreement shall be less than \$500.00, the obligation of LMG to make additional payments hereunder to the Producer or Producer's beneficiary shall terminate as of the end of such calendar year, and LMG shall be relieved of any further obligations under this Agreement. Furthermore, LMG may offset against any payment due Producer or Producer's downline hierarchy under this Agreement any past, present, or future debts that Producer or Producer's downline hierarchy owe LMG or an Authorized Company. Such indebtedness will be a first lien on any payments due Producer or Producer's downline hierarchy.

If Producer does not maintain the requisite errors and omissions insurance coverage, as hereafter provided, LMG may purchase errors and omissions insurance coverage on a per policy basis on behalf of Producer. Such coverage may list LMG and/or the Authorized Companies as an additional insured and a third-party beneficiary. LMG will deduct all or a portion of Producer's commissions to satisfy any indebtedness associated therewith.

LMG may require Producer to pay LMG and/or the Authorized Companies a fee for processing the Producer's resident and/or nonresident initial appointment and appointment renewals and/or appointment terminations with any of the Authorized Companies. In addition, Producer may be required to pay resident and/or nonresident licensing and/or appointment fees, depending upon the Authorized Company.

LMG may refuse any application submitted to any Authorized Company at its discretion. Such applications may be rejected without specifying any reason therefore, without incurring any liability to Producer.

3. Rights and Obligations of the Producer

The Producer agrees that the commissions payable by LMG during the term of this Agreement for services performed hereunder shall be full compensation for such services. The Producer shall maintain accurate and current records of all transactions entered into pursuant to this Agreement. The Producer hereby agrees to notify LMG in writing within fifteen (15) days of receipt of any information regarding any transaction that is inconsistent with the Producer's records or, in the opinion of the Producer, otherwise not accurate.

The Producer promises that he/she will not **without the express written permission of LMG and/or the affected Authorized Company:**

- Sign any contract, or open or continue to have any bank account, checking or savings, or any other investment account, or open any charge account or secure credit in the name of LMG or any Authorized Company.
- Deposit to the Producer's personal or business account or endorse any check, money order, or similar instrument made payable to LMG or any Authorized Company.
- Accept premium checks from clients made payable to Producer or LMG.
- Modify, print, or create any correspondence, form, advertisement, or brochure describing or naming LMG, or any Authorized Company or its products.
- Use LMG's or any Authorized Companies' names or trademarks or service marks of the insurance contracts, and other products that this Agreement authorizes the Producer to sell except as permitted herein.

The Producer agrees to comply with all contract regulations, guidelines, field bulletins, inserts, or correspondence that may be issued from time to time by LMG and by any Authorized Companies, which documents are expressly incorporated herein by reference. Failure to do so will, at the discretion of LMG, result in the termination of this Agreement. Producer shall become familiar with all contract regulations, as well as all other rules, regulations, and guidelines maintained in the office of the Producer's Upline Manager. The Producer acknowledges that LMG has supplied the Producer with all contract regulations, marketing guidelines, and related materials issued by LMG and maintained by the Authorized Companies, and acknowledges that Producer is responsible for reviewing any and all materials, including updates, sent by LMG regarding changes in procedure for LMG or the Authorized Companies. It is the duty of Producer to maintain a current address with LMG, so that the Producer will receive any additional updated materials. Produce has the obligation to periodically review LMG's website, which incorporates some of this information, and Producer recognizes that the content of the site pertaining to this required information may change and be updated from time to time.

The Producer agrees that he/she must comply strictly with: (i) this Agreement, including those documents expressly incorporated herein by reference; (ii) any other business contract that he/she may have as a result of being independently contracted with LMG; (iii) all federal, state, and local laws, ordinances, and regulations governing the insurance and securities applicable to his/her businesses, and agrees to keep abreast of developments in the insurance and securities areas; and that his/her failure to strictly comply with any of the foregoing, without limitation, is cause for termination of this Agreement. By signing herein, Producer hereby acknowledges that he/she has received and read LMG's Market Conduct Guide and any Producer's Code of Ethics that is posted on LMG's website and reviews it periodically to refresh his/her understanding and to be aware of any updates or changes. Producer agrees to comply with all provisions contained in the Market Conduct Guide, as amended from time to time, and all other present and future rules, regulations, and directives of any nature issued by LMG or its Authorized Carriers with respect to market conduct. Furthermore, Producer agrees to adhere to any rule, regulations, or directives as set forth by the Authorized Companies pertaining to any business underwritten by them.

The Producer consents to the release of any information in the Producer's file, including true and complete copies of such information, to LMG, its officers or its attorneys; affiliates of LMG; any of LMG's Authorized Companies; any governmental or regulatory agencies; or to any third party pursuant to a subpoena duces tecum.

Producer agrees to immediately repay LMG all compensation paid Producer if: (1) an Authorized Company cancels a contract for any reason and refunds all or a portion of the premiums for such contract; or (2) an Authorized Company issues a contract as applied for and the contract is returned for cancellation or nonacceptance by the applicant. Producer hereby assigns to LMG all commissions, otherwise payable to the Producer by LMG, to the extent necessary to satisfy Producer's indebtedness to LMG pursuant to this Agreement. Commission adjustments will first be charged back to the account of the writing Producer. In the event that LMG deems such chargeback to be uncollectible, Producer unconditionally guarantees and agrees to accept all financial responsibility and indebtedness for his downline hierarchy. In addition, Producer agrees to pay any costs, expenses, or legal or collection fees associated with LMG's collection of Producer's or his/her downline hierarchy debit balance.

As used in this Agreement, the term "Downline Hierarchy" shall mean and include (i) all persons recruited by Producer and appointed with any affiliated insurance company owned by or having a reinsurance relationship or marketing agreement with LMG and/or any securities company owned by or having a reinsurance agreement or marketing agreement with LMG; (ii) all persons recruited by persons included in (i); (iii) all persons recruited by persons included in specification (ii); and (iv) any person whose relationship with LMG follows directly from any of the other persons named in this paragraph, after the effective date of this Agreement.

Producer agrees and understands that this Agreement does not give Producer the authority to act on LMG's or an Authorized Company's behalf to change or delete any question, statement, or answer on any application; to change or delete any provision of any contract; to waive forfeitures; to extend the time for paying any premium; to quote rates other than those published by LMG or an Authorized Company; to accept notes; or to obligate LMG or any Authorized Company in any manner not specifically authorized by this Agreement.

Producer agrees to immediately forward to LMG any written complaint or grievance that he/she receives from a policyholder or regulatory entity concerning LMG or any Authorized Company. Further, in the event that LMG or an Authorized Company receives a written complaint from any policyholder or regulatory entity concerning Producer, Producer shall provide a written response to such complaint, if so requested by LMG or/and Authorized Company, within the requested timeframe. Producer hereby authorizes and directs LMG to accept and act on any and all telephone instructions from Producer who must furnish proper identification, which may include the Social Security or tax ID number, or other manner of identity verifications.

Producer agrees to adhere to any policies or guidelines established by LMG concerning the transfer of hierarchies. Furthermore, Producer agrees not to terminate this Agreement and seek to be re-contracted in an attempt to circumvent LMG's transfer of hierarchy policies. Producer shall maintain errors and omissions insurance coverage in an amount acceptable to LMG with respect to the policies that Producer sells pursuant to this Agreement. Further, such policy shall designate LMG and/or the Authorized Companies as an additional insured and a third-party beneficiary. Producer acknowledges and agrees that LMG may purchase such coverage on a per policy basis and deduct the premium from Producer's commissions, as provided for in Section 2 of this Agreement.

4. Delivery of Contract

Delivery of a contract shall be made only if, at the time of delivery, the health of the proposed insured, annuitant, or owner meets the standards for the rating class of the contract (if applicable), and the first premium

has been fully paid. **Delivery must be made within thirty (30) days from the issue date of the contract.** Any contract not delivered within such period shall be immediately returned to the issuing Authorized Company. Producer agrees to repay LMG and/or the Authorized Company all costs of underwriting requirements and contract issuance or reissuance if an Authorized Company issues a contract as applied for and (1) the contract is returned for cancellation on account of nonacceptance by the applicant or (2) the contract is rewritten at the Producer's request.

5. Collection of Premium

All insurance or annuity premium shall be paid by check, or wire transfer, made payable to the applicable Authorized Company. All premiums shall immediately be sent directly to one of LMG's addresses made payable to the Authorized Company.

6. Hold Harmless

The Producer hereby agrees to indemnify and hold harmless LMG and the Authorized Companies, their subsidiaries and/or affiliates and all their respective officers, directors, agents, and employees, from and against any and all liability, claims, damage, and expense, of any nature whatsoever, contingent or otherwise, that are asserted, incurred, and/or imposed against them, as a result of any and all acts or omissions of the Producer and of Producers who have been recruited by the Producer or who are in the Producer's downline hierarchy. To secure the promises of indemnification, and for any loans made by or other amounts owed to LMG or any Authorized Companies, the Producer hereby assigns to each indemnified party any commissions, otherwise payable to the Producer by LMG, to the extent necessary to satisfy the indemnified party with respect to any such indemnified loss.

7. Resolution of Disputes by Mediation, Then Arbitration

The parties hereto agree that, except as specifically provided to the contrary in this Agreement, if a dispute arises out of or relates to this Agreement or any claimed breach thereof, or arises out of or relates to the relationship between the parties, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association in Petaluma, California, under its Commercial Mediation Rules before resorting to arbitration. If the dispute is not settled by mediation, the parties agree that any controversy or claim arising out of or relating to this Agreement or any claimed breach thereof, or arising out of or relating to the relationship between the parties, shall be settled by arbitration administered by the American Arbitration Association in Petaluma, California, under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Notwithstanding the foregoing, LMG shall retain the right to enforce Sections 8, 9, and 10 herein through an action seeking injunctive relief, specific performance, or any measure of applicable damages.

Except as specifically provided to the contrary in this Agreement, the parties expressly waive the right to litigate in a judicial forum all disputes. The parties further agree that the findings of fact and conclusions of law issued by the Arbitrator(s) shall be binding on them in any subsequent arbitration, litigation, or other proceeding. However, notwithstanding the foregoing, LMG shall not be required to negotiate, arbitrate, or litigate as a condition precedent to taking any action under this Agreement, including, without limitation, terminating this Agreement or taking any action with respect to this Agreement.

8. Non-solicitation of Producers and/or LMG Employees

The Producer agrees he/she will not, directly or indirectly, at any time during the term of this Agreement or within two (2) years after termination of the Agreement: (i) induce or attempt to induce any

person then a Producer of LMG, or any individual of LMG's staff, to terminate their relationship with LMG; or (ii) solicit, induce or attempt to hire any such persons to sell or solicit insurance for any other insurance company or insurance agency. Producer acknowledges that such prohibited actions would constitute unauthorized interference with LMG's contractual relationship with its Producers and LMG's administrative staff.

9. Non-Solicitation of Policyholders

Producer agrees that during the term of this Agreement and for the time period of two (2) years after termination of this Agreement, Producer will not, directly or indirectly, contact any existing policyholder of any Authorized Company for the purposes of soliciting such policyholder to replace an existing long-term care, life insurance, annuity, or other type of insurance contract with any Authorized Company and with another such contract.

10. Trade Secret and Confidential Information

Producer agrees that he/she will not, directly or indirectly, use or reveal, during the term of this Agreement and for the time period of two (2) years after termination of this Agreement, any Confidential Information or Trade Secrets of LMG, including any prospective or existing policyholder list or Producer list, whether obtained from LMG, or any person, directly or indirectly, or compiled by or on behalf of the Producer. The Producer agrees that immediately upon the termination of this Agreement, he/she will return, or at the direction of LMG, destroy all documents, files, and lists containing any such Confidential Information or Trade Secrets.

For the purposes of this Section 10 of this Agreement, the following definitions apply: A "Trade Secret" is, as defined in West's Ann.Cal.Civ.Code §3426.1(d): information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (i) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. "Confidential Information" includes any information that, although, perhaps not a "Trade Secret" as defined above, is information to which LMG (or its affiliates) or the Authorized Companies limit access, and the secrecy of which they attempt to maintain in a demonstrable manner, including, but not limited to, the following: all information accessed on LMG's website (legacynet.com); LMG's software (A.L.I.C.E.); product information; interest rates; proprietary products; or commission information.

The Producer expressly acknowledges and stipulates that there is no adequate remedy at law for violation of the covenants contained in this Section 10 of this Agreement. Accordingly, the Producer agrees that LMG shall be entitled to apply for injunctive relief, specific performance, and to enjoin any threatened or further violations of any of the covenants contained herein, and shall be entitled to any appropriate measure of damages. In addition to the rights LMG has to enforce the above covenants, the Producer agrees and understands that in the event of any breach by the Producer of any of the provisions of Sections 8, 9, or 10, no further commissions shall accrue or be paid under this Agreement and, upon notice from LMG, any indebtedness of the Producer to LMG shall be immediately due and payable by the Producer.

11. Path to Prosperity

The Producer agrees to familiarize himself/herself with the information provided in this Agreement's companion pieces, LMG's "Path to Prosperity" brochure and "Compensation Schedule" (and any subsequent amendments or modifications), and shall abide by the requirements set forth therein.

12. General

Either the Producer or LMG may terminate this Agreement at any time with or without cause. Termination shall be effective immediately upon the mailing of written notice thereof to the addresses provided herein. This Agreement shall automatically terminate upon the death of the Producer. Upon such termination, the Producer shall immediately cease to use LMG’s name and any of LMG’s or Authorized Companies’ Trademarks/Trade Names/Service Marks, notwithstanding any permitted use pursuant to Section 3.

In the event of termination of this Agreement by either party, LMG shall be entitled to notify the Authorized Companies and any of the States of its termination and corresponding appointment termination. Neither LMG nor any Authorized Companies shall have any liability for any loss or damage resulting from such termination by LMG or from such notice by LMG. Notwithstanding the foregoing, termination of this Agreement shall not have the effect of terminating any of the rights or obligations of the parties hereto, which by their nature are contemplated to continue after such termination, including, without limitation, all enforcement provisions of this Agreement.

Upon any termination of this Agreement, any indebtedness of the Producer or Producer’s downline hierarchy to LMG shall be immediately due and payable. The Producer shall immediately pay any sums due hereunder and shall immediately deliver to LMG any of the previously furnished materials, supplies, advertising and any other printed matter that LMG specifically requests in writing. Notwithstanding the foregoing, in the event that such indebtedness is not remitted immediately, Producer shall remain liable for any such indebtedness and costs associated with collection thereof, after the termination of this Agreement, and such termination shall not be deemed to constitute a waiver of LMG’s ability to enforce any of its rights contained herein.

The covenants, acknowledgments and agreements contained in this Agreement are severable and separate. Should a court determine any portion of this Agreement to be unenforceable, it shall not affect the validity of any other provision of this Agreement.

All notices or demands hereunder shall be sent either by certified mail, return receipt requested, or by overnight or other courier service, addressed as follows: If to LMG, or any Authorized Companies, addressed to Legal Department, Legacy Marketing Group, Post Office Box 7873, San Francisco, CA 94120-7873; if to the Producer, addressed to him/her at the Producer’s Principal Address. For purposes of this Agreement, the Producer shall maintain only one address at a time (“Producer’s Principal Address”), and shall immediately notify LMG in writing of any change in Producer’s Principal Address.

The failure or delay by either party hereto to insist upon strict performance of the terms and conditions of this Agreement shall not be deemed a waiver of any subsequent breach or default in the terms hereof. To be effective, any waiver must be in writing and signed by the party granting the waiver.

The Producer may not assign any rights or delegate any duties under this Agreement. This Agreement and the rights of the parties hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, and successors, to the extent herein allowed.

In the event that either party hereto commences an action or arbitration to enforce any of the provisions hereof, the prevailing party in such action shall be entitled to an award of its reasonable attorney fees and all costs and expenses incurred in connection therewith and the nonprevailing party agrees to pay such fees, costs, and expenses.

This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreement relating to the subject matter of this Agreement. The Producer represents that he/she has not relied upon any representations, whether oral or written and regardless of by whom made, in entering into this Agreement not herein contained. No change, amendment, termination, or attempted waiver of any of the provisions hereof shall be binding upon LMG unless in writing and signed by LMG. Notwithstanding, LMG may modify the provisions of this Agreement at any time. Such modifications will become effective when mailed to Producer’s Principal Address or posted on LMG’s website.

This Agreement, including its interpretation and validity, shall be governed and construed according to the laws of the State of California, without giving effect to principles of conflicts of laws. The Producer expressly submits to the jurisdiction and venue of the U.S. District Court for the Northern District of California and the state courts sitting in Sonoma County, California, with respect to any such dispute.

The additional provisions set forth below will apply if Producer is a corporation, partnership, or any entity other than an individual:

- Producer must designate one or more individuals to act on behalf of the entity. Such designation must be made by the board of directors if a corporation or by a general partner, if a partnership. In the absence of a designation, LMG may rely on the president or vice president (if corporation) or any partner (if partnership).
- Producer must immediately provide written notice to LMG of any changes in the legal structure of the entity, or any changes in officers or partners.
- Documentation shall be provided to LMG that the individual acting on behalf of the entity has authority to do so.
- LMG may require that Producer provide certification of the entity’s existence and good standing from the Secretary of State.
- LMG may terminate this Agreement upon five (5) days written notice to the Principal Address if any officer, partner, or any other individual deemed by LMG to be a key member of the organization:
 - ~ Dies.
 - ~ Resigns.
 - ~ Ceases, in LMG’s sole discretion, to be actively involved in the organization.
 - ~ Has a license suspended, revoke, cancelled, or otherwise not renewed or has been convicted of a felony.

This Agreement may be executed via facsimile and such signatures shall be considered originals for all purposes. Producer acknowledges having read, understood, and agreed to the entire contents of this Agreement before signing below and that he has received a copy of this Agreement in its entirety for his records.

Print Name and Producer Number

Signature and Date

Authorization for Release of Information

As Required By the Fair Credit Reporting Act

The federal Fair Credit Reporting Act, as amended, provides that any consumer reporting agency may furnish a consumer report in accordance with the *written instructions of the consumer to whom it relates*.

In accordance with that provision, the person signing this form as "Applicant" hereby authorizes any person or agency to give, in writing, orally, or in any other form, to Legacy Marketing Group and/or any of its affiliates or its designated representatives any information gathered or maintained by a consumer reporting agency bearing on the applicant's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the applicant's eligibility for credit, employment, or any other purpose authorized under Section 604 of the Act.

Further, the applicant understands that Legacy Marketing Group and/or any of its affiliates may, as part of its normal procedure, request that any investigative consumer credit report be made whereby information on the applicant's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with business associates, employers, friends, neighbors, and others with whom the applicant may be acquainted or who may have knowledge concerning any such items of information. The applicant authorizes the individual or agency conducting the investigation to give, in writing, orally, or in any other form, to Legacy Marketing Group and/or any of its affiliates or its designated representatives any information gathered or obtained during this investigation pertaining to the applicant's production, persistency, commissions, earnings, estimated future earnings, commission advances, loans, and debts, including, but not limited to, any indebtedness that may have been charged to the applicant's manager or agency, or that may have been written off.

The applicant authorizes Legacy Marketing Group and/or any of its affiliates or its designated representatives to use the reports furnished in accordance with this authorization in any deliberations that it or they may undertake to determine whether or not Legacy Marketing Group and/or any of its affiliates will make an offer of a contract to the applicant.

Further, if contracted, this authorization shall remain on file and shall serve as ongoing authorization to procure consumer reports at any time during the term of the contract and for three years thereafter.

Applicant's Printed Name _____

Applicant's Signature _____

Date _____