



## **Agent Contracting**

**Please complete the following contracting package and FAX to  
AnnuityCommissions.com at 732-521-5113.**

**AnnuityCommissions.com  
8 Talmadge Drive  
Monroe Township, NJ 08831**

**Phone: 866-866-1106  
Fax: 732-521-5113**

**If you have any questions or changes to existing contracts, please contact  
Hersh Stern at 866-866-1106.**

**[www.annuitycommissions.com](http://www.annuitycommissions.com)**



## **Contracting Materials**

Return completed forms to:

**Fidelity & Guaranty Life  
Insurance Company of New York  
2500 Westchester Avenue  
Purchase, New York 10577-2593**

Questions? Call the F&G Life of NY  
Contracting Department at **800-778-7735**

RECRUIT-NY-AGT

## Agent Appointment Instructions

To ensure proper and timely contracting please return **ALL** of the following:

- Signed and completed Appointment Form and Agent Agreement. Signature required on appointment form and page 5 of Agreement.
- Expense Allowance Agreement: signature required on page 2.
- Market Conduct Acknowledge Card.
- Copy of current individual insurance license for the state of New York.
- Signed and completed W-9 form.
- Electronic Funds Transfer (EFT) direct deposit form - Please complete and sign the Direct Deposit Authorization Agreement form and enclose with a voided check or deposit slip.
- If first time licensing, enclose the following:
  - NYS Individual and/or Corporate Application
  - Power of Attorney
  - Your state certification letter if applying for non-resident license.
  - Check made payable to: Superintendent of Insurance in the amount of:\_\_\_\_\_.

### PLEASE NOTE:

**Before we can process your NY State license application, you must send us your completed Fidelity and Guaranty Life Insurance Company of New York contracting paperwork.**

Agent appointment packages **must** be signed and submitted by your MGA.

Questions about the above procedures should be directed to the F&G Life of NY Agent Contracting Department at **(800) 778-7735**.

***Paperwork could be returned if the Agent Appointment and Agent Agreement is not signed and/or any of the above listed items are missing.***

# Agent Appointment Form

**Instructions:**

- STEP 1** – Complete, sign and date this form below. **Please note that the term “you” or “your” refers to the individual named below.** Sign below at the bold X.
- STEP 2** – Complete and sign the Agent’s Agreement. No alterations accepted.
- STEP 3** – Enclose this form along with a copy of the current license of the contracted individual, a signed W-9 form, a signed Expense Allowance Agreement and a signed Agent’s Agreement. Mail to: F&G Life of NY, 2500 Westchester Avenue, 2<sup>nd</sup> Fl., Purchase, NY 10577.
- STEP 4** – A copy of your contract will be returned to you as soon as possible.

**FOR SPEEDY SERVICE, PLEASE PROVIDE:**

Fax #: (\_\_\_\_\_) \_\_\_\_\_  
 Marketing Contact Name: \_\_\_\_\_

**Please Print or Type**

1. Name of Individual: \_\_\_\_\_
2. Residence Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
3. Residence Phone: (\_\_\_\_\_) \_\_\_\_\_
4. Social Security Number: \_\_\_\_\_
5. Business Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
6. Business Phone: (\_\_\_\_\_) \_\_\_\_\_
7. Business Fax: (\_\_\_\_\_) \_\_\_\_\_
8. Birthdate: \_\_\_\_\_
9. E-mail Address: \_\_\_\_\_
10. NY State License #: \_\_\_\_\_

**Copy of license required.**

11. Have you ever had a contract with F&G Life of New York?  
 No  Yes Agent Code: \_\_\_\_\_
12. Have you ever filed for bankruptcy?  
 No  Yes
13. Have you or your principals (including officers, directors, partners, members or shareholders) ever been refused an insurance or any other professional occupational or vocational license; or had any such license restricted, suspended or revoked; or relinquished or surrendered any such license as part of any investigation or proceeding?  
 No  No

14. Have you or your principals (including officers, directors, partners, members or shareholders) ever been fined or otherwise disciplined (including suspension, revocation, bar, censure or incurred a penalty of any kind) by an insurance regulatory authority or any other authority of any kind?  
 No  Yes
15. Have you or your principals (including officers, directors, managers, partners, members or shareholders) ever been convicted or pled guilty or nolo contendere to a crime, felony or misdemeanor, other than a traffic violation, or are you now under indictment?  
 No  Yes
16. Are you or your principals (including officers, directors, managers, partners, members or shareholders) currently the subject of any investigation, inquiry or proceeding before any insurance, banking, securities or other professional, occupational or vocational licensing or regulatory authority or association?  
 No  Yes
17. Have you or your principals (including officers, directors, managers, partners, members or shareholders) ever been the subject of private litigation arising from violations or alleged violations of insurance, banking or securities laws?  
 No  Yes

**If you answered “Yes” to any question #12-17, please attach a statement of explanation.**

18. Sex:  Male  Female

BY SIGNING BELOW, YOU HEREBY AUTHORIZE F&G LIFE OF NY TO CONDUCT A BACKGROUND INVESTIGATION IF REQUIRED BY STATE INSURANCE CODES OR IF OTHERWISE DEEMED APPROPRIATE OR DESIRABLE BY F&G LIFE OF NY.

BY SIGNING BELOW, YOU HEREBY ACKNOWLEDGE THAT YOU HAVE RECEIVED AND READ F&G LIFE OF NY’S MARKET CONDUCT GUIDE. YOU AGREE 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 F&G LIFE OF NY WITH RESPECT TO MARKET CONDUCT.

Signature: X \_\_\_\_\_ Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ **PLEASE READ AND SIGN AGENT’S AGREEMENT.**

**TO BE COMPLETED BY APPOINTING GENERAL AGENT (IF APPLICABLE)**

Compensation Schedule: \_\_\_\_\_  
*Attach a copy of compensation schedule.*

Signature of Authorized Agent: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name of Agent: \_\_\_\_\_  
 F&G Life of NY Agent Code of Appointing General Agent: \_\_\_\_\_

**HOME OFFICE USE ONLY**

Producer Code #: \_\_\_\_\_ RSM: \_\_\_\_\_  
 Compensation Schedule: \_\_\_\_\_  
*Attach a copy of compensation schedule.*

**E-Copy Producer Agreement Certification**



Under penalties of perjury, I hereby certify that the "ECOPY" versions of the Fidelity and Guaranty Life Insurance Company of New York ("F&G Life of NY") Agent's Appointment Form and the Agent's Agreement that I am submitting to F&G Life of NY to be appointed and contracted as an independent insurance agent have not been modified in any way whatsoever from the forms provided by F&G Life of NY. If at any time F&G Life of NY determines that the appointment form or the agreement have been modified from the standard F&G Life of NY forms, then I understand and agree that I will be in breach of the agreement and may be terminated for cause. This certification shall be incorporated into and shall form a part of the agreement.

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

\_\_\_\_\_  
Signature of Agent or Person Authorized to Sign on Behalf of Agent

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

**Agent's Agreement**  
**Between Fidelity and Guaranty Life Insurance Company of New York**  
**and \_\_\_\_\_**

This agreement ("Agreement") is made between Fidelity and Guaranty Life Insurance Company of New York (the "Company") and the Agent named above ("you," "your" or "yours"). You and the Company agree as follows:

1. **Representations:** You represent that you are properly licensed and authorized to sell the types of contracts which are the subject of this Agreement under applicable insurance, banking and securities laws and regulations. You represent that you, are authorized to enter into the Agreement. The Company represents that it is properly licensed and authorized to issue such contracts.
2. **Appointment:** The Company appoints you as its representative in New York to act in accordance with the terms of this Agreement. This territory is not assigned to you exclusively.
3. **Authority:**
  - A. **Sell Products:** The Company authorizes you and your Producers to solicit the sale of contracts of life insurance and annuities which the Company may lawfully underwrite and which are described in the attached Compensation Schedule (the "Authorized Contracts"); subject however, to the restrictions placed upon you and your Producers by the laws and regulations applicable in the jurisdictions where you are selling the Authorized Contracts, including insurance, banking, and securities laws and regulations, the Company's underwriting rules, other rules as are promulgated to you, and the terms and conditions of this Agreement.
  - B. **Other:** The Company authorizes you to perform any other act specifically authorized by this Agreement.
4. **Limitations of Authority:** You are not authorized to incur on behalf of the Company any indebtedness or liability; to make, alter or discharge contracts; to waive forfeitures; to quote rates except as published by the Company; to extend the time of payment of any premium; to extend credit for the purpose of purchasing insurance or keeping it in force; or to do any act not specifically authorized by this Agreement.
5. **Responsibility for Producers:** You agree to assume full responsibility for all business produced by you and for the acts of your Producers, employees, officers, and sub-producers. Any act or omission, or breach of this Agreement, by any of your Producers, officers, employees or sub-producers shall be deemed an act, omission or breach by you and the Company may exercise its rights under this Agreement as if such act, omission or breach had been committed by you.
6. **Right of Inspection:** The Company shall at all times have the right to inspect any and all books, records, accounts, correspondence, or data in your office or kept by you so far as the same may relate to the business of the Company, and to make such extracts or copies as it may desire.
7. **Independent Contractor:** At all times you shall be deemed an independent contractor and nothing in this Agreement shall be construed to create the relationship of employer and employee between you and the Company. You are free to exercise your own judgment as to the persons you will solicit insurance, the time and place of solicitation, and the manner in which you will perform the obligations of this Agreement.
8. **Application Completion:** You shall complete an application for each policy issued by the Company on the Company's application form. All of the responses to the questions in the application shall completely and accurately reflect the applicant's responses to these questions as conveyed to you. All information you have relating to the applicant's responses shall be appended to the application, with or without the applicant's consent, and transmitted to the Company with the application. In addition, you shall insure that the application is reviewed by the applicant before it is signed by the applicant and that it is signed in your presence, after which you shall sign as witness to its execution. You shall send the application to the Company as soon as possible after it has been executed.
9. **Premium Remittance:** You shall immediately forward to the Company any premium, entire or partial, taken with an application. If the first premium is paid in cash on delivery of a policy, you shall at once remit it to the Company in cash. You have no right or authority to receive or collect moneys for or on behalf of the Company at any time for any purpose except the initial premium on insurance procured by you and necessary to put the policy in force. However, the Company may, in its discretion, permit you to collect deferred first year and renewal premiums as and when they mature. Premiums remitted through negotiable instruments such as checks shall be made payable to the Company. All moneys, negotiable

Company Use Only

Producer Number: \_\_\_\_\_ Compensation Schedule: \_\_\_\_\_

instruments, or securities you receive for or on behalf of the Company shall be held by you as trustee for the Company and shall not be used by you for personal or other purposes whatsoever but shall be immediately paid over to the Company.

**10. Insurable Condition:** For any policies delivered to you by the Company, you shall arrange for such policies to be delivered to the policy owners and the first premium paid in accordance with the delivery instructions issued by the Company. You shall not permit the delivery of any policy unless to the best of your knowledge, the insured is alive, in good health, in the same condition as at the time of application, in insurable condition, and the first premium has been fully paid. You shall return to the Company on the day following the expiration of 60 days any contract which was not so delivered.

**11. Company Property:**

A. The Company will furnish you such policies, forms, advertising matter, diskettes, and other supplies as it may deem necessary. The title of these materials as well as all undelivered policies, books, supplies or other property as furnished to you by the Company shall be vested in the Company and shall be accounted for and delivered to its authorized representative upon the termination of this Agreement or at any other time, upon demand. You may not make any modifications to diskettes furnished by the Company. You may not transfer, rent, sell, or in any way make available such diskettes to anyone not an employee of you or the Company.

B. You understand and acknowledge that during the term of this Agreement you may gain access to certain confidential and proprietary information relating to the Company and its business and you agree to keep all such information confidential.

**12. Advertising:** All advertising copy and promotional materials developed by you or your Producers wherein the identity of the Company, its plans of insurance, policies and practices, or its compensation rates are mentioned, directly or by inference, must be approved by the Company prior to their use or publication (including, but not limited to, use on the Internet).

**13. Right to Retire:** The Company, in its sole discretion, may retire from any jurisdiction and may discontinue or withdraw any policy form from any jurisdiction where you are licensed (without prejudice to the right of the Company to continue said forms in any other jurisdiction) without liability to you. You agree that under no circumstances whatsoever shall the Company be liable to you (or anyone claiming through you) for any lost profits or indirect, incidental, punitive or consequential damages in connection with this Agreement.

**14. Litigation:** You agree to hold harmless, defend (with counsel reasonably acceptable to the Company) and indemnify the Company against any claims, judgments, settlements, costs, expenses or other damages, including attorneys fees, which the Company may suffer or incur as the result of any negligent, fraudulent or unauthorized act, or error or omission, of you, any of your employees. The Company shall have exclusive authority to direct the defense and effect any settlement in any action for which the foregoing indemnity may apply. You shall, upon demand, pay the Company as a debt due hereunder any sums due to it in accordance with this section, as well any monies expended by the Company in answering or defending any attachment, garnishment or other proceedings involving you, your employees or officers, or any Producer.

**15. Compensation:**

A. The Company will pay you as full compensation and you accept as such only the commissions set forth in the Compensation Schedule, which is attached to and forms a part of this Agreement, on Authorized Contracts written and effected with the Company by you, and actually paid for and accepted by the Company while your authority under Sections 2 and 3 of this Agreement remains in force. The Company shall not be responsible for any of your expenses.

B. No commission will be paid on life insurance premiums paid in advance until one month after due dates of the respective premiums so paid in advance, and then only if the policy is then in force.

C. Unless modified at the option of the Company, renewal commissions shall be payable subject to the provisions and limitations of this Agreement and the relevant Compensation Schedule.

D. No person who is not paid directly by the company shall have any claim against the Company on the account of sale or service of any Authorized Contract under this Agreement and you agree to indemnify, defend, and hold the Company harmless for any such claims or related expense..

**16. Indebtedness:** The right of you or any person claiming through you to receive any of the commissions or other compensation provided for in this Agreement shall at all times be subordinate to the right of the Company to offset or apply such commissions or compensation against any indebtedness of you or your Producers to the Company or any of its affiliates. You agree to reimburse the Company for all costs and expenses incurred in collecting said debt, including reasonable attorneys fees and court costs. For purposes hereof, the term "affiliate" means The St. Paul Companies, Inc. (including successors and assigns) and its direct and indirect subsidiaries.

**17. Commission Forfeiture:** In the event the Company shall, either during the continuance of this Agreement or after its termination, refund premiums under any policy for any reason, you shall forfeit all right to compensation on said policy and shall immediately return to the Company any compensation paid to you which is attributable to the premiums refunded.

**18. Commission Assignment; Assignment by Company**

- A. You shall not assign, transfer, or pledge this Agreement or any commission hereunder without the written consent of the Company which shall not be unreasonably withheld. No assignment of any commissions hereunder shall be binding upon the Company unless it is in writing and filed at the Home Office of the Company. The Company assumes no responsibility as to the validity or effect of any such assignment.
- B. The Company may assign this Agreement without restriction. The Company may also add as a party to this Agreement any other affiliated insurance company by providing you with written notice. In such event, references to the "Company" shall also include such newly added insurer.

**19. Commission Vesting:** In the event of termination of this Agreement and subject to the provisions of Section 20, the Company will continue to pay first year and renewal commissions on premiums received and accepted by the Company in accordance with the Compensation Schedule; provided, however, that payment of service fees will cease on the date of termination of the Agreement.

**20. Commission Restrictions:** No further commission or other compensation will be paid to you under this Agreement in the following circumstances:

- A. If you withhold or misappropriate funds of the Company, its policyholders, or applicants for any reason.
- B. If you commit fraud or any other illegal act in the performance of your duties under this Agreement.
- C. If you lose your license to act as an insurance agent because of revocation or suspension by a public authority, or if you voluntarily surrender your license after allegations of misconduct by a regulatory authority.
- D. If you directly or indirectly induce or attempt to induce any policy owner of the Company to stop premium payments or surrender any policy.
- E. If with, your full knowledge, any of your Producers commits any act set forth in this Section.

**21. Solicitation Rights:** You agree that the Company will have at all times, both during and after the termination of this Agreement, the right to communicate in any fashion with the persons insured under the policies issued hereunder for any purpose, including but not limited to: advertising the Company's products, responding to inquiries, servicing the policies and adjusting claims.

**22. Termination:** This Agreement may be terminated by either party upon 30 days notice in writing by ordinary mail to the last known address of the other party, or may be terminated by the Company immediately for cause. For purposes of this Agreement, "cause" shall mean:

- A. breaching this Agreement;
- B. violation of any insurance, banking, securities or other applicable law or regulation;
- C. directly or indirectly inducing or attempting to induce any policy owner of the Company to stop premium payments or surrender any policy;
- D. loss, suspension, revocation, or voluntary surrender of your license or any other regulatory authority issued by any state, federal or other entity that regulates, controls or in any way authorizes the sale of financial, banking, securities or insurance products or services;
- E. misrepresentation of any material information in your application for appointment as a General Agent or in any additional documents supporting that application;
- F. your insolvency, bankruptcy, or reorganization, or the institution of such or similar proceedings by or against you;
- G. indictment alleging a crime or conviction or plea concerning a crime, felony or misdemeanor, involving trustworthiness, including but not limited to, embezzlement, fraud, theft, etc.; or
- H. conviction or plea of guilty or nolo contendere to any felony.

**23. Market Conduct Program:** You agree to comply with, and to require your Producers to comply with, all present and future rules, regulations and directives of any nature issued by the Company with respect to market conduct, including without limitation, all provisions in the Company's Market Conduct Guide. You hereby acknowledge that you have received and read the Company's Market Conduct Guide, and you agree to execute and deliver to the Company such further written acknowledgments of the Company's Market Conduct Program as the Company shall reasonably request.

**24. Miscellaneous:**

- A. Effective Date:** This Agreement shall not be effective until signed by both parties.
- B. Effect on Previous Agreements:** The execution of this Agreement abrogates, terminates, and supersedes all previous agreements between you and the Company and constitutes the entire agreement between you and the Company with respect to the subject matter of this Agreement.
- C. Amendment of Agreement;** This Agreement constitutes the entire agreement between the parties and can only be amended and modified by a written instrument properly executed by you and an authorized officer of the Company. Failure of the Company to take advantage of any breach of the terms, conditions, or covenants herein contained shall not constitute a waiver or estoppel to thereafter enforce any of said terms, conditions or covenants. This Agreement cannot be modified by any acquiescence in practices or courses of dealing by the Company contrary to the terms, conditions or covenants hereof.
- D. Governing Law:** This Agreement is governed by the laws of the State of New York (without regard to any choice of law provisions) and each party hereto agrees to accept service of process in and to submit to the jurisdiction of the federal or state courts located within the State of New York for any matter involving this Agreement. You agree not to bring any action against the Company in any jurisdiction other than the State of New York (unless the Company has initiated an action in such other state) in connection with any action, suit or other proceeding arising out of or relating to this Agreement. In any action, suit or proceeding brought by the Company, you agree not to assert that such action, suit or proceeding is brought in an inconvenient forum or that the venue of the action, suit or proceeding is improper.
- E. Survival:** Notwithstanding any provision of this Agreement to the contrary, the termination of this Agreement, whether with or without cause, shall be construed as a termination of (a) your appointment and your authority under Section 2 of this Agreement; (b) your authority under Sections 3, 7, 8, 9 and 10 of this Agreement; and (c) the Company's obligations under Sections 11(A) and 15 of this Agreement. All other provisions of this Agreement shall survive any termination of this Agreement.
- F. Notice:** Any notice, request, instruction or other document to be given hereunder shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, to the Company at its Home Office or to you at the address set forth beneath your signature below.

**IN WITNESS WHEREOF** the parties have caused this Agreement to be executed under seal on the dates indicated below.

**Fidelity and Guaranty Life Insurance  
Company of New York**

\_\_\_\_\_  
( Agent)

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**ECOPY PRODUCER AGREEMENT CERTIFICATION** – *Complete this section if you have printed this form from an electronic file.*

Under penalties of perjury, I hereby certify that the "ECOPY" version of the Fidelity and Guaranty Life Insurance Company of New York ("FGNY") producer agreement that I am submitting to FGNY to be appointed and contracted as an independent insurance producer has not been modified in any way whatsoever from the form provided by FGNY. If at any time FGNY determines that the agreement has been modified from the standard FGNY form, then I understand and agree that I will be in breach of the agreement and may be terminated for cause. This Certification shall be incorporated into and form a part of the agreement.

\_\_\_\_\_  
Printed Name of Producer

\_\_\_\_\_  
Signature of Producer or Person Authorized to Sign on Behalf of Producer

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

# Market Conduct Guide

**For Agent Use Only**

ADTJ 0360 03-2001



# Introduction

Insurance companies and their producers are in the business of making promises. This means that a reputation for fair dealing and integrity is essential to the long-term success of Fidelity & Guaranty Life Insurance Company of New York and its independent producers. A minimum condition of building trust and integrity among our customers is that we comply with both the letter and spirit of laws and regulations impacting our business.

The audience for this Guide consists of all independent insurance producers representing F&G Life of NY. We've tried to organize and write the Guide to make it concise, understandable and usable for the producer. However, because insurance regulation is such a complex and changing field, inevitably there will be cases where the Guide fails to provide complete guidance. Whenever you have questions about a compliance issue and can't find the answer in the Guide, please call your designated representative at F&G Life of NY Sales Support line at 1-800-778-7735 or the specified contact person for your distribution channel. If you're unsure about whom to call or if you don't receive a clear answer, please call the Law and Compliance Department in the Home Office at 1-888-697-5433.

This Guide and the New York Insurance Law and Regulations establishes the minimum standard of conduct for producers appointed by F&G Life of NY. We expect our appointed producers to go beyond the minimum standards and strive to provide the best possible treatment and service for their customers. If it is determined that the minimum standards set forth in this Guide are not met, F&G Life of NY will take appropriate remedial actions, which may include termination of a producer's appointment.

We recognize and believe that the proper treatment of customers is a shared commitment. This partnership demands high standards of professionalism from the Company, its Home Office staff and its appointed producers. You have our assurances that we will endeavor to provide you with quality insurance products and support services delivered in a professional way.

As one of the members of the Insurance Marketplace Standards Association, we subscribe to a strict set of standards that confirms our commitment to honesty, fairness, and integrity in every aspect of the sales and service of life and annuity products.

# Table Of Contents

<b>Producer Licensing And Appointment</b> .....	6
General Requirements .....	6
Licensing .....	6
Appointment .....	6
Commissions .....	7
Letterhead And Business Cards .....	7
Continuing Education .....	7
<b>Sales Practices</b> .....	7
Advertising .....	7
Sales Illustrations .....	9
Unfair Trade Practices .....	9
Disclosures .....	10
<b>Policy Replacement</b> .....	12
General .....	12
Churning .....	12
Definition .....	12
Duties Of Producers .....	12
Penalties .....	13
<b>Fraudulent Insurance Acts</b> .....	13
<b>Applications</b> .....	13
<b>Customer Monies</b> .....	13
General .....	13
Commingling .....	13
<b>Sales Through Financial Institutions</b> .....	13
Background .....	13
Physical Setting .....	13
Advertising Materials .....	14
Oral Disclosures And Written Acknowledgement .....	14
Timing Of Mandatory Disclosures .....	14
Unlicensed Employees Of The Financial Institution .....	14
Access To The Financial Institution And Its Regulators .....	15
<b>Complaints</b> .....	15
Defined .....	15
General Rule .....	15
Procedures .....	15

# Producer Licensing And Appointment

## General Requirements

The concepts of licensing and appointment are fundamental to state regulation. New York, like all other states and the District of Columbia, has laws requiring the licensing of persons engaged in the business of selling insurance. In addition, New York further requires that even after a business or individual has obtained a producer's license, the producer may not represent an insurance company unless the producer is specifically designated, or "appointed," by the insurance company to sell its products.

These licensing and appointment requirements are prominently stated in F&G Life of NY's standard form producer agreement, which contains a representation that the producer is properly licensed and authorized to sell the types of contracts covered by the agreement. When there is doubt concerning licensing and appointment requirements, you are encouraged to call Sales Support at the Home Office or the specified contact person for your distribution channel for guidance.

## Licensing

### "PRODUCER" DEFINED

If you are selling insurance, you are probably considered a producer (or "agent") by the department of insurance. In general, any corporation, partnership, individual or other person will be considered a "producer" if that person receives compensation for soliciting, negotiating, or procuring insurance contracts.

### PRODUCER EMPLOYEES

Salaried individuals employed by producers or insurers for the performance of clerical and similar office duties will not be considered producers, so long as their compensation does not vary with the volume of business done.

### LINES OF BUSINESS

Insurance licenses usually specify the type of insurance business in which the producer may engage. For example, the insurance license may authorize the producer to sell life insurance or annuities, but not health insurance. It is important to examine the license to ensure that you are specifically authorized to sell the type(s) of insurance that you offer.

## SCOPE OF LICENSES

Producers must be licensed in each state where they do business. Usually this means a producer has an office in one state and sells insurance to residents of that state. To be legally entitled to sell life insurance in New York, the producer must apply for and obtain a New York license. As a New York licensed insurance producer appointed with F&G Life of NY, you are authorized to sell F&G Life of NY products to individuals within New York state only. F&G Life of NY products may not be sold in states other than New York.

## AGENCY LICENSING

Questions frequently arise regarding the proper licensing of a general agency which conducts business through producers. For example, F&G Life of NY may contract with a general agency to sell F&G Life of NY products with the base commission being paid to the individual producer and an override commission being paid to the general agency. **In this situation, New York law requires the general agency to be licensed in New York state and appointed with F&G Life of NY in order to receive override commissions.**

## Appointment

Procurement of an insurance license is only the initial step that a producer must follow in order to legally offer and sell insurance products. The term "appointment" is used to describe the relationship between an insurer and a producer whereby the insurer acknowledges that the producer may sell its products. A producer is prohibited from soliciting business or taking applications unless the producer possesses a valid appointment from the insurance company. In addition, the insurance company is typically required to notify the state of the appointment or termination of any producer.

In New York, appointments for applicants for an original license become effective upon issuance of the license. Appointments for currently licensed producers become effective when the certificate of appointment is mailed to the New York State Insurance Department by F&G Life of NY. Producers are prohibited from soliciting business or taking applications prior to the effective date of the appointment. Please call Sales Support if you have questions concerning these rules.

## BACKGROUND CHECKS

As part of the appointment process, F&G Life of NY performs a criminal and civil background check on all producers. One of the reasons for performing a criminal background check is to satisfy F&G Life of

NY's obligations under the Federal Violent Crime Control Act (FVCCA). The FVCCA makes it a felony for a company engaged in the business of insurance (which may include both the company and an insurance agency) to willfully permit the participation of a person who has previously been convicted of a felony crime involving dishonesty or a breach of trust. Agencies should be aware of their own obligations under the FVCCA and perform their own criminal background checks as necessary to comply with the FVCCA. Producers and agencies should note also that the FVCCA contains no "grandfather" provision for persons already working in the business of insurance. The FVCCA effectively makes it a crime for any insurance employer or its subcontractors to continue to employ an individual if the employer or subcontractor subsequently learns of a conviction and does not immediately terminate the individual.

### **Commissions**

Generally, it is illegal for an insurance company to pay a commission, directly or indirectly, to any person who has not been properly licensed as a producer and appointed with the company. F&G Life of NY will not pay commissions on business produced by producers unless applicable licensing and appointment requirements have been fully satisfied.

### **Letterhead And Business Cards**

It is important that customers understand the relationship between F&G Life of NY and its appointed producers. As provided in the producer's agreement, producers are independent contractors and should not hold themselves out as employees. Accordingly, any reference to F&G Life of NY for use on letterhead or business cards should not give a misleading impression that producers are employees of the Company. All letterhead, business cards or similar materials referencing F&G Life of NY must be submitted to and approved by the Home Office PRIOR to use.

### **Continuing Education**

The New York State Insurance Department requires insurance agents licensed to sell life insurance and/or annuity contracts to satisfactorily complete a specified number of hours of continuing education during each license renewal period. The courses or programs of instruction must meet specific standards and be approved by the New York Superintendent of Insurance to qualify for continuing education credit. Any person who fails to meet New York's continuing education requirements will not be eligible to renew his/her insurance license. It is your responsibility to stay informed concerning New York State's continuing

education requirements. If you have any questions concerning these requirements, please contact Sales Support.

## **Sales Practices**

The purpose of this section is to set forth minimum standards and guidelines for the sale of F&G Life of NY products. Accordingly, this section attempts to cover those sales practices which are regarded as most significant in assessing proper treatment of customers. This section is not a comprehensive review of New York statutes, rules and regulations governing the sale of life insurance and annuity products. For that reason, the omission of a particular sales practice from this discussion does not indicate that the practice is appropriate or has been approved by the Company.

## **Advertising**

### **"ADVERTISEMENT" DEFINED**

The definition of "Advertisement" for insurance sales is very broad and covers many types of communications to prospective and existing customers. For example, an item prepared for use in the routine course of business (i.e., a customer prospecting letter) may be deemed to be an advertisement subject to regulation. Also any statement, written or oral, made by a producer when promoting an insurance product may be considered to be an advertisement.

New York Insurance law defines "advertisement" as follows:

- "Advertisement" shall include, but not necessarily be limited to, the following when designed to be used or actually used, to induce the public to purchase, increase, modify, reinstate, or retain a policy:
  - Printed and published material, audiovisual material, and descriptive literature of an insurer used in direct mail, newspapers, magazines, radio scripts, television scripts, billboards, and similar displays;
  - Descriptive literature and sales aids of all kinds, including but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters, issued by an insurer, agent, broker, solicitor, or organization sponsoring the insurance for presentation to members of the insurance buying public;
  - Material used for the recruitment, training and education of an insurer's sales personnel, agents, brokers, and solicitors; and
  - Prepared sales talks, presentations, and material for use by agents.

## REQUIREMENT FOR PRIOR APPROVAL

**All advertisements prepared by producers must be submitted to and approved by the Law and Compliance Department PRIOR to use. As stated in the F&G Life of NY producer's agreement, failure to obtain the Company's approval of all advertising prior to its use may constitute grounds for immediate termination for cause.**

The Company may provide you with pre-approved materials for sale of our products. You may not alter or modify any Company-prepared advertising. Under special circumstances in which other advertising may be required, you should call your marketing contact in the Home Office to obtain approval of your draft of the proposed advertising. Please plan ahead and allow at least one week for Home Office approval.

All "Producer Only" advertising must be approved by F&G Life of NY prior to its use as well. Although "Producer Only" material technically may not fall within the definition of advertising, we need to ensure that the Company's products are understood by the appointed producers who sell them, that the Company conveys a consistent message in its marketing programs and producer recruitment, and that correct information is provided to customers.

Under no circumstances should you make any statement or distribute any advertising or sales literature which is prepared by an independent third person or unrelated company without prior approval of the Home Office.

## CERTAIN GUIDELINES

As stated above, the Company suggests that you use only Company-prepared sales brochures and other pre-approved promotional materials. To the extent that you wish to prepare materials for review and approval by the Company prior to use, the following guidelines should be observed. Please note that these guidelines apply not only to written materials, but also to oral statements promoting the Company or the Company's products. You should also refer to "Verbal disclosures" (page 11) for a discussion of certain terms that are prohibited in written and oral statements about F&G Life of NY's products.

- Use of Company Name

It is important to avoid consumer confusion about the identity of the insurance company issuing a policy. In particular, an advertisement may not give the misleading impression that the parent company or any other company affiliated with the insurer is financially responsible for the insurer's obligations under a life insurance policy or annuity contract. All advertise-

ments should use the Company's full and correct name, **Fidelity & Guaranty Life Insurance Company of New York, 2500 Westchester Avenue, Suite 200, Purchase, New York 10577**, to identify the Company. In addition, descriptions of F&G Life of NY and its affiliates should correctly describe the corporate relationships among those companies.

- Statements About the Company

Any written or oral statements about the Company's financial condition should comply with the following guidelines:

- Rating Agencies. Any advertisement or written or oral statement promoting the Company's products may contain the Company's rating by national rating agencies. However, state regulators require producers to provide full and fair disclosure of all such ratings. The Company permits you to disclose the rating by A.M. Best Co. alone, but if you use any other rating service such as Fitch or Standard & Poor's, you must also disclose the Company's rating by every rating service organization listed above, including A.M. Best Co.
- Risk Based Capital. Risk Based Capital ("RBC") requirements are designed to examine the quality as well as the quantity of an insurer's surplus. New York provides that RBC standards were not intended as a means to rank insurers generally. New York law also notes that, due to its confidential nature, use of RBC Level information by any insurer, producer, broker or other person engaged in any manner in the insurance business would be misleading and is therefore prohibited. Accordingly, you may not make any statement nor use any advertisement that contains information with regard to the Company's RBC Level or the RBC Level of any other insurer.
- Guaranty Corporation Membership. You may not make any statement nor use any advertisement that refers to the existence of the Life Insurance Company Guaranty Corporation of New York or any similar organization for the purpose of selling any of the Company's products. Use of such information to solicit or induce the purchase of the company's products is prohibited by law. The New York State Insurance Department has prepared a brochure entitled "Policyholder Protection" that answers questions concerning the Guaranty Corporation. Copies may be obtained by contacting the Guaranty Corporation.
- Statistics. Statistics used in any advertisement shall be accurate and not misleading in fact or by implication. The source of any statistics used in an advertisement shall be identified.

## Sales Illustrations

### GENERAL RULE

You may only use illustration software approved and issued by the Company. Any use of illustration software without the Company's prior approval is strictly prohibited. If any sales illustration is used to solicit the Company's products, the applicant must receive a copy of the illustration.

### PROHIBITIONS

You may not:

- Represent a policy as anything other than life insurance (or an annuity, where appropriate);
- Make any representation regarding the past performance of the policy other than the representations contained in the illustration, or represent that the policy's past performance is a reliable indicator of future performance;
- Provide an illustration without clearly indicating that the current interest rate illustrations are based on the Company's current rate schedule, are shown for illustration purposes only and are not guaranteed;
- Provide an applicant with an incomplete policy illustration;
- Display the current interest rate illustration with such prominence as to render the guaranteed interest rate illustration obscure; or
- Illustrate any product not clearly identified by its generic type of life insurance name, and the company product name, if different.

### VANISHING PREMIUMS

You may not make any statement (such as the policy will be "self-supporting") or represent in any way that premium payments will not be required for each year of the policy in order to maintain the illustrated death benefit unless such representation is accompanied by an adequate explanation as to:

- what benefits would be provided or discontinued at the time when payments will no longer be required; and
- the conditions under which this would occur.

### Unfair Trade Practices

The purpose of this section is to identify certain acts that constitute unfair methods of competition or unfair or deceptive trade or business practices in the sale of the Company's products. The Company will not tolerate unfair trade practices employed by any

appointed producer or agency. If found, such acts may be grounds for termination with cause. **The fact that a practice is not specifically prohibited in this section does not imply acceptance of the practice.**

The following verbal or written unfair trade practices are prohibited under state law:

### MISREPRESENTATION

"Misrepresentation" means any statement which contains false or misleading information, including misleading information because of incompleteness. Specifically, a producer may not:

- Make or cause to be made any misrepresentation concerning the benefits, advantages, conditions, or terms of an insurance policy;
- Provide false information or fail to provide full disclosure of all requested information on an application for the Company's products;
- Use false or misleading information to induce the lapse, forfeiture, exchange, conversion, or surrender of an insurance policy;
- Obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading; or
- Employ any device, scheme, or artifice to defraud.

### REBATING

"Rebating" means any offer to pay or return premiums or commissions to induce the sale of insurance. For example, an agreement to pay the customer a portion of the commission on a sale would constitute rebating.

Under New York law, you may not offer to rebate premiums or commissions or offer any other benefit, except those benefits specified in the policy, to induce the sale of the Company's products.

### SALES INDUCEMENTS

"Sales inducements" means any gift, prize, goods, wares, merchandise or other item of valuable consideration given as an inducement to enter into any insurance contract or as an inducement to receive a quote, submit an application or in connection with any other solicitation for the sale of insurance. Sales inducements may also include an agreement of any form or nature promising payment to another for referral or future business. For example, in some states a producer may not pay a mortgage banker for each referral of a new home buyer who purchases life insurance.

## **TWISTING**

“Twisting” describes the practice of using written or oral statements that misrepresent or inaccurately compare the terms, conditions, or benefits contained in a policy for the purpose of inducing or attempting to induce the policyholder to lapse, forfeit, surrender, retain, exchange or convert an insurance policy. For example, falsely describing the features of a competitor’s policy to induce the replacement of that policy with an F&G Life of NY policy would constitute “twisting.”

## **DISCRIMINATION**

“Discrimination” means refusing to accept applications, refusing to insure, refusing to continue to insure, or limiting the amount, extent or kind of coverage available to an individual, or charging a higher rate for the same coverage solely because of the sex, marital status, age, race, religion, national origin or physical or mental impairment of the individual except where such refusal, limitation, or rate differential is based upon sound actuarial principles or reasonably anticipated loss experience; or refusing to insure solely because another insurer has refused to write a policy, or has canceled or has refused to renew an existing policy in which that person was the named insured.

## **DEFAMATION**

“Defamation” means making, publishing, disseminating, circulating or placing before the public, an advertisement, announcement or statement containing any untrue, deceptive or misleading statement with respect to the business of insurance or any insurer in the conduct of its insurance business.

## **TIE-IN SALES**

“Tie-in sales” or “tying arrangement” means an agreement by a party to sell one product but only on the condition that the buyer also purchases a different (or tied) product. For example, the sale of a life insurance policy cannot be conditioned upon the sale of an annuity contract or purchase of any goods or services.

## **Disclosures**

### **WRITTEN DISCLOSURES**

New York law requires agents to provide certain written disclosures in the sale of insurance products. Under New York law, no policy of life insurance shall be delivered or issued unless the customer has been provided with a copy of the most recent buyer’s guide and the “preliminary information” (as listed below) at or prior to the time an application is taken. The “preliminary information” shall include the following:

- The agent’s name and address;
- The full name and location of the company: Fidelity & Guaranty Life Insurance Company of New York , 2500 Westchester Avenue, Suite 200, Purchase, New York 10577;
- The date of the preliminary information, the generic name of the policy, the initial amount of insurance, and the initial annual premium for the basic policy;
- The total guaranteed cash surrender values for the basic policy, at the end of the 10th and 20th policy years or at the end of the premium-paying period if earlier;
- The effective policy loan annual percentage interest rate, if the policy would contain this provision, and whether this rate is applied in advance or in arrears, adjustable, or fixed;
- The applicant shall be advised that, when the policy is issued, a complete policy summary, including cost data, based on the benefits, premiums, and dividends of the policy as issued, will be furnished; and
- The applicant shall be advised that there will be a period of not less than 10 days within which the applicant may return the policy for an unconditional refund of the premiums paid.

New York law does provide, however, that no applicant for life insurance shall be prevented or delayed in effecting or applying for coverage due to the requirement to provide the preliminary information listed above. In such cases where prior to application it is impractical to provide the preliminary information or buyer’s guide, these items may be estimated in good faith or furnished as soon as practical prior to delivery of the policy. For annuities, the preliminary information delivered to an applicant must be accompanied or preceded by a description of the market-value adjustment formula and/or the withdrawal charge, if any, contained in the contract. In addition, a policy summary must be provided upon delivery of the policy. (See also, Replacement p. 12.) For guidance, please call your designated representative at F&G Life of NY.

Also, agents are not permitted to remove from policy issue materials any disclaimers or notices issued by the company. Such disclaimers or notices are attached to policy documents in order to comply with regulatory guidelines and may not be removed under any circumstances.

## VERBAL DISCLOSURES

In addition to the written disclosure rules discussed above, the Company requires certain verbal disclosures in the sale of its insurance products.

- Disclosure of status as a “Life Insurance Producer”
  - A producer shall inform the prospective purchaser, prior to commencing an insurance sales presentation, that he or she is acting as a life insurance producer and inform the prospective purchaser that he or she represents Thomas Jefferson Life Insurance Company.
  - No producer shall offer to sell any life insurance or annuity contract in any capacity other than that of a duly licensed life insurance producer.
  - No producer shall use terms such as “financial planner,” “investment advisor,” “financial consultant,” or “financial counselor,” in such a way as to imply that a producer is primarily engaged in an advisory business in which compensation is unrelated to sales, unless such is actually the case. For example, a producer may not refer to herself as a “financial planner” unless she charges for financial planning services unrelated to the commissions received from the sale of insurance products.
  - No producer shall engage in advising about, selling or offering to sell, estate planning documents or services such as wills, trusts and powers of attorney if the producer is not authorized to practice law and unless all conflicts are disclosed and knowingly waived in writing in the manner required by law. This is not intended to prohibit the producer’s recommendation of appropriate insurance products, for which authorization to practice law is not required.
- Description of the product as “Life Insurance” or “Annuity”
  - No producer shall solicit any life insurance policy or annuity contract without the use of the words “life insurance” or “annuity” unless such solicitation is accompanied by other language or documents clearly indicating that the contract is a life insurance policy or an annuity contract.
  - No producer shall use any of the following terms or phrases to describe the features, conditions or benefits of a life insurance policy or annuity contract:
    1. “savings”;
    2. “savings plan”;
    3. “savings account”;
    4. “investment”;
    5. “investment plan”;
    6. “units”;
    7. “units of participation”;
    8. “founder’s plan”;
    9. “profits”;
    10. “profit sharing”;
    11. “special benefits”;
    12. “deposit”;
    13. “interest plan.”

4. “investment”;
5. “investment plan”;
6. “units”;
7. “units of participation”;
11. “special benefits”;
12. “deposit”;
13. “interest plan.”

Use of these terms or phrases or other similar terms or phrases in connection with the Company’s products has the capacity or tendency to mislead a purchaser or prospective purchaser to believe that he or she will receive something other than a life insurance policy or an annuity contract. For example, the term “premium” should always be used instead of “deposit” to describe a contribution to an insurance policy.

- Statements regarding Tax Benefits
  - A producer shall not state or imply that a life insurance policy’s benefits are “tax-free” unless such is the case. Producers shall describe the inside buildup of deferred annuities as “tax-deferred” and not as “tax-free.”
  - All producers should refrain from providing legal or accounting advice and should encourage customers to seek independent tax advice.
- Interest Rates
  - Any discussion of current interest rates shall be accompanied by a statement that such rates are based on the Company’s current rate schedule and are not guaranteed.
- “Free-look” provisions
  - A producer should make applicants aware of the “free look” provision of a policy which may vary from 10 to 30 days dependent upon policy type and applicant type and state requirements
- Policy costs
  - A producer should respond to all inquiries concerning any penalty or surrender charges by providing complete and accurate information.

## SPECIAL RULES FOR EQUITY INDEXED PRODUCTS

F&G Life of NY offers a variety of “equity indexed” products which credit interest using a formula linked to an external equity reference or an equity index. Although equity index products are generally understood to be exempt from federal and state securities registration requirements, it is important to understand that the way in which a product is marketed can directly impact the determination of whether it is or is not a security. Accordingly, all producers are subject to the following guidelines for the marketing of equity indexed products:

- equity indexed products should not be marketed

as a substitute for mutual funds or other equity investments;

- the products should be positioned as alternatives to traditional annuities;
- the marketing should not emphasize the investment aspects of the products; and
- the overall focus of the marketing, including any sales presentations, should be the long term retirement aspects of the equity index products, such as minimum guaranteed surrender values, annuity payout options, and the safety and stability of insurance products in general.

## Policy Replacement

### General

The guiding principle in replacement transactions is that **the transaction should not be made unless it is in the customer's interest**. Producers should refrain from initiating any replacement sale unless they believe, taking into account all relevant factors such as application of surrender charges on the replaced policy, that the customer will benefit from the transaction. In addition, please note that even though transfers of funds from a Certificate of Deposit or a mutual fund are not technically replacement transactions under the insurance laws, those types of transfers should not be made unless the transaction is in the customer's best interest.

### Definition

As used in this section, "replacement" means any transaction in which a new life insurance or new annuity contract is purchased for delivery in New York and the producer knows that, as part of the transaction, an existing life insurance or annuity contract has been or is likely to be:

- Lapsed, surrendered, partially surrendered, forfeited, assigned to the replacing insurer or otherwise terminated;
- Changed or modified into paid-up insurance, continued as extended term or another form of nonforfeiture benefit or otherwise reduced in value by the use of nonforfeiture benefits, dividend accumulations, dividend cash values or other cash values;
- Changed or modified to reduce the amount of existing life insurance or annuity benefit or in the period of time the existing life insurance or annuity benefit will remain in force;
- Reissued with a reduction in amount such that any

cash values are released, including dividend accumulations or paid-up additions;

- Assigned as collateral for a loan or made subject to borrowing or withdrawal of any portion of the loan value, including dividend accumulation or paid-up insurance;
- Continued with a stoppage of premium payments or a reduction in the amount of premium paid.

Any IRS 1035 exchange of an insurance policy or annuity constitutes a "replacement" of insurance. For purposes of this guide, "replacement" also includes internal replacements of existing policies issued by F&G Life of NY. With the exception of a policy contract change, exercise of a conversion privilege, or if the existing life insurance is nonrenewable, non convertible term that expires in five (5) years or less, replacement laws and regulations apply to any transfer or exchange from one F&G Life of NY policy to another.

Additionally, all producers must obtain with each application a completed and signed Definition of Replacement form and leave a copy with the applicant. If no replacement is involved, the producer must submit a copy of the signed Definition of Replacement form with the application to F&G Life of NY.

### Duties Of Producers

All producers must complete the application for a life insurance policy or annuity in its entirety, including the section regarding replacement of existing life insurance or annuities, which requires both the producer and applicant to sign a statement as to whether replacement of an existing life insurance policy or annuity contract is involved.

If replacement is indicated, the producer must:

- Obtain a list of all policies or contracts proposed to be replaced;
- Submit to the existing insurer a list of policies or contracts to be replaced with the Authorization form signed by the policyowner requesting information needed to complete the Disclosure Statement;
- Have the applicant, not later than signing the application, review and sign the Important Notice Regarding Replacement and the completed Disclosure Statement;
- Submit the application to F&G Life of NY with:
  - A copy of any proposals, including sales materials;
  - Proof of receipt by the applicant of the Important Notice Regarding Replacement;
  - Completed and signed Disclosure Statement.

## Penalties

It is considered an unfair trade practice to replace an existing policy or contract in favor of a new policy or contract that results in the insured unknowingly acquiring a less valuable or different life insurance policy or annuity contract. **Any producer engaged in an unfair trade practice, or who fails to comply with New York requirements regarding replacement, shall be subject to such penalties as are provided for by New York law and may be terminated immediately by the Company for cause, as provided in the Company's producer agreement.**

## Fraudulent Insurance Acts

New York law prohibits any individual, firm, association, or corporation from committing certain acts and practices that are considered fraudulent. A "fraudulent insurance act" is committed by any person who

"Knowingly and with intent to defraud presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer or purported insurer, or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, ...or a claim for payment or other benefit pursuant to an insurance policy for ...personal insurance which he knows to : (i) contain materially false information concerning any fact material thereto; or (ii) conceal, for the purpose of misleading, information concerning any fact material thereto."

Commission of fraudulent insurance acts subjects the producer to a range of serious sanctions, including criminal prosecution, civil liability, and disciplinary action from the New York State Insurance Department. Such acts are also grounds for immediate termination for cause under the F&G Life of NY Producer's Agreement.

## Applications

Every product sale must be made using the appropriate F&G Life of NY application form. All responses on the application shall be completed accurately by the producer and reflect the applicant's responses to those questions as conveyed to the producer. Any and all information possessed by the producer relating to the applicant's responses shall be included on the application.

The application shall be reviewed by the producer before it is signed by the applicant, and then signed by the applicant in the producer's presence. After the applicant has signed the application, the producer

shall sign as witness to its execution.

Any changes, alterations, amendments or corrections on the application shall be made by the producer and initialed by the applicant.

## Customer Monies

### General

As stated in the producer's agreement, any initial premium, entire or partial, collected by the producer shall be immediately forwarded to the Company, in the exact form in which it was turned over to the producer.

Unless specified in writing by the Company, the producer shall have no authority to collect any premiums or monies from policyholders other than the initial premium.

### Commingling

All monies, negotiable instruments, or securities received by a producer for or on behalf of the Company shall be held by the producer as trustee for the Company and shall not be used by such producer for any personal or other purposes whatsoever but shall be immediately paid over to the Company.

Customer monies shall not be commingled with monies in an insurance producer's personal account or an insurance agency's general account.

## Sales Through Financial Institutions

### Background

Because customers of banks, thrifts and credit unions ("Financial Institutions") may have preconceived assumptions and expectations about products offered by or through the Financial Institution, the distribution of insurance and annuity products to Financial Institution customers requires that numerous safeguards be imposed to ensure that such customers are not confused as to (1) the nature of the products (i.e., they are not deposits insured by the Federal Deposit Insurance Corporation (the "FDIC") or the National Credit Union Share Insurance Fund (the "NCUSIF") or in any way an obligation of the Financial Institution) or (2) who is offering the products (i.e., if they are sold by a party other than the Financial Institution or an affiliate). If you are unclear whether your marketing of F&G Life of NY insurance and annuity products must comply with the requirements described herein, please contact the Law and Compliance Department.

## Physical Setting

To the extent practicable, sales of insurance and annuity products to customers of a Financial Institution should be conducted in an area that is physically segregated from the area where the Financial Institution takes retail deposits.

## Advertising Materials

All advertising (as described elsewhere in the Guide) used to promote F&G Life of NY's products at or through a Financial Institution must be approved by F&G Life of NY prior to use. In addition, any such materials must include the following disclosures (the "Mandatory Disclosures"):

- Where applicable, that the F&G Life of NY insurance and annuity products are being provided solely by the producer, and not by the Financial Institution or its affiliates.
- Where applicable, that the producer is not affiliated with the Financial Institution or its affiliates.
- F&G Life of NY insurance and annuity products are not insured by the FDIC or any other agency of the United States government.
- F&G Life of NY insurance and annuity products are not deposits or other obligations of the Financial Institution and are not guaranteed by the Financial Institution.
- Where applicable, F&G Life of NY insurance and annuity products are subject to investment risk, including possible loss of value.
- Financial Institutions cannot condition an extension of credit on the purchase of a F&G Life of NY insurance or annuity product.

Any references to the Financial Institution in such advertising will be used to refer to the location where the insurance agency services are available.

If requested by the Financial Institution, the producer must also provide the Financial Institution with an opportunity to review the advertising for compliance with applicable banking regulatory requirements.

## Oral Disclosures And Written Acknowledgement

Each producer, at the times specified below, shall orally inform the customer of the Mandatory Disclosures and shall obtain a written acknowledgement from the customer of receipt of such Mandatory Disclosure. The producer shall provide a copy of such acknowledgement to F&G Life of NY and the Financial Institution upon request.

Appropriate Acknowledgement Forms will be provided by F&G Life of NY or the Financial Institution.

## Timing Of Mandatory Disclosures

The Mandatory Disclosures are required to avoid confusion as to who is offering the F&G Life of NY insurance and annuity products and their status as uninsured nondeposit investment products. These disclosures must be provided:

- Orally during any sales presentations, including sales presentations made during telemarketing contacts;
- Orally when advice concerning insurance and annuity products is provided; and
- Orally and in writing (see above) before any application for an insurance or annuity product is submitted.

## Unlicensed Employees Of The Financial Institution

Unlicensed employees of a Financial Institution or its affiliates may perform only clerical and ministerial functions related to the sale of securities, such as the following:

- Referring potential customers to a licensed producer; or
- Distributing informational brochures, business cards or materials to potential customers.

Unlicensed employees of a Financial Institution or its affiliates are prohibited from engaging in any activity related to an insurance or annuity transaction that is not clerical or ministerial in nature. Such employees are prohibited from:

- Accepting or transmitting orders;
- Attempting to solicit or receive orders for the purchase of insurance or annuity products;
- Recommending any insurance or annuity products or giving any other form of insurance or annuity advice;
- Describing life insurance or annuities;
- Discussing the merits of any insurance or annuity product with a customer;
- Handling any question that might require familiarity with the life insurance or annuity industry; and
- Handling customer funds (except for electronic funds transfer) for an insurance or annuity transaction.

You should familiarize yourself with the prohibited activities and make sure that you do not request or

encourage unlicensed employees of the Financial Institution to engage in any of the prohibited activities.

Unlicensed employees of the Financial Institution and any of its affiliates may not receive any compensation based on insurance or annuity transactions. Such employees may, however, be paid a nominal fee for referring Financial Institution customers to you. The amount of such fees will be determined and paid solely by the Financial Institution or its affiliates, and may not be paid by you.

### **Access To The Financial Institution And Its Regulators**

You may be required to provide access, at reasonable times, to the books, records and space at the Financial Institution to the Financial Institution or its affiliates and to any regulatory agency with authority to oversee the activities of the Financial Institution. You shall inform F&G Life of NY's Home Office as soon as possible in the event that any such access has been or will be provided.

### **Complaints**

The Company views all customer complaints very seriously. Consistent with its customer service focus, the Company will strive to resolve all complaints in a fair and timely manner.

#### **Defined**

“Complaint” means a written communication primarily expressing a grievance.

“State Insurance Department complaint” means a written communication regarding a complaint transmitted by a state insurance department.

#### **General Rule**

All complaints, regardless of their source, shall be reported immediately to the Home Office - Attention: Sales Support.

#### **Procedures**

1. A producer shall forward the complaint letter along with any remarks and supporting documentation to the Home Office.
2. Upon receipt, all complaint documentation will be forwarded to the Company's Complaint Manager for review and resolution.
3. The Complaint Manager will investigate the complaint.

4. A producer must respond in a timely manner to any request for information from the Home Office concerning a complaint including a request for a written summary of the facts related to a complaint.

5. Under no circumstances should a producer offer cash or any other valuable consideration to settle a complaint.



## **About F&G Life of NY**

Incorporated in 1962, Fidelity & Guaranty Life Insurance Company of New York offers a diverse portfolio of annuities and life insurance products to help families and businesses achieve secure financial futures.

F&G Life of NY is a member of the Old Mutual plc group of companies. Founded in 1845, the London based Old Mutual is active in life insurance, asset management, banking, and property and casualty insurance. Old Mutual maintains its primary listing on the London Stock Exchange (LSE: OML) and ranks as a FTSE 100 financial services group.

As one of the first members of the Insurance Marketplace Standards Association, we subscribe to a strict set of standards that confirms our commitment to honesty, fairness, and integrity in every aspect of the sales and service of life and annuity products.

For more information, contact your agent or call us at (800) 330-2344.



# Acknowledgement Card



\_\_\_\_\_  
Name *(please print)*

\_\_\_\_\_  
Agent Number  
*(must be completed)*

\_\_\_\_\_  
Agency Name

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

Please check here if any of the above information has changed.

*I have read the Market Conduct Guide and agree to abide by its contents.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

ADTJ 0366 0697

Rev. 01-2002

**Authorization Agreement for Direct Deposit  
to Savings or Checking Account**



I, (we) hereby authorize FIDELITY AND GUARANTY LIFE INSURANCE COMPANY OF NEW YORK ("Company") to deposit my commission payment with the financial institution named below ("Bank") and the Bank to credit the same to my account as described below. In the event that the Company notifies the Bank that funds to which I (we) am not entitled have been deposited to my (our) account inadvertently, I (we) hereby authorize and direct the Bank to return said funds to the Company as soon as possible and agree to hold the Company and the Bank harmless from any and all liability in connection therewith.

Agent Number	Payee's Name (Please Print)	Bank Account Number
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Bank Name	Bank Address: Street	City	State	Zip Code	Bank Phone Number
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ABA Transit / Routing Number (Lower left corner of your check)	Bank Account Type <input type="radio"/> Checking <input type="radio"/> Savings
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This authorization is to remain in force until the Company has received written notification from me (or either of us) of its termination in such time and in such manner as to afford the Company and/or the Bank a reasonable opportunity to act on it. This authorization is governed by New York law including New York Uniform Commercial Code.

Payee's Signature	Date	Joint Payee's Signature (if jointly paid, both parties must sign)	Date
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**A voided check or deposit slip must be included (attach below).**



## Specific Instructions

**Name.** If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

**Sole proprietor.** You must enter your individual name as shown on your social security card. You may enter your business, trade, or "doing business as" name on the **business name** line.

**Other entities.** Enter your business name as shown on required Federal tax documents. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or "doing business as" name on the business name line.

### Part I—Taxpayer Identification Number (TIN)

You must enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, using your EIN may result in unnecessary notices to the requester.

**Note:** See the chart on this page for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office. Get **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov).

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester. Other payments are subject to backup withholding.

**Note:** Writing "Applied For" means that you have already applied for a TIN OR that you intend to apply for one soon.

### Part II—For Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are **not** exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester a completed Form W-8 (certification of foreign status).

### Part III—Certification

For a joint account, only the person whose TIN is shown in Part I should sign (when required).

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified state tuition program payments, IRA or MSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to

persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Sole proprietorship	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your SSN or EIN (if you have one).

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.



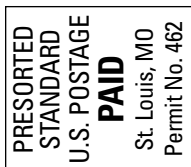
*Incorporated in 1962, Fidelity & Guaranty Life Insurance Company of New York offers a diverse portfolio of annuities and life insurance products to help families and businesses achieve secure financial futures.*

*F&G Life of NY is a member of the Old Mutual plc group of companies. Founded in 1845, the London based Old Mutual is active in life insurance, asset management, banking, and property and casualty insurance. Old Mutual maintains its primary listing on the London Stock Exchange (LSE: OML) and ranks as a FTSE 100 financial services group.*

*As one of the first members of the Insurance Marketplace Standards Association, we subscribe to a strict set of standards that confirms our commitment to honesty, fairness, and integrity in every aspect of the sales and service of life and annuity products.*

*For more information, contact your agent or call us at (800) 778-7735.*

**PLEASE NOTE: THERE IS NO NEED TO RESPOND TO THIS NOTICE. IT IS FOR INFORMATIONAL PURPOSES ONLY.**



# PRIVACY POLICY



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# **FIDELITY & GUARANTY LIFE INSURANCE COMPANY OF NEW YORK PRIVACY POLICY**

*At Fidelity & Guaranty Life Insurance Company of New York, we realize that in this information age in which we live, people are concerned about protecting their privacy. We want you to know that F&G Life of NY values you as a customer and we are committed to protecting your privacy. We think it's important for you to understand our policy and practices on privacy, which is why we're sending you this notice.*

## **INFORMATION WE MAY COLLECT**

We may collect the following types of non-public personal information about you in order to provide, administer and/or service our financial products and services, including life insurance policies and annuity contracts:

- Information from you (on applications or other forms you complete, through telephone or in-person interviews with your independent insurance agent or with our Service Center or otherwise) such as your name, address, telephone number, social security number, income and health information.
- Information about your transactions or experiences with us, our affiliates or third parties such as your insurance coverage, payroll data, account balances, and transactions completed with us.
- Information from credit reporting agencies (e.g., credit history).
- Information from hospitals, doctors, laboratories and other companies concerning your past or present health condition for purposes of underwriting, claims processing, and such other purposes as you may authorize, or as otherwise permitted or required by law.

## **DISCLOSURE OF INFORMATION**

We do not disclose non-public personal information about our customers or former customers to non-affiliated third parties except as permitted by law or as authorized by you in writing.

We may disclose, as allowed by law, all types of non-public personal information we collect, when needed, in the course of conducting our business. For example, we may disclose non-public personal information to third parties that perform servicing and administrative functions on our behalf, such as third party administrators and consultants. We may also disclose non-public personal information about you to insurance regulators, other government entities, reinsurers, organizations that perform claims investigations and as otherwise permitted by law. In addition, your independent insurance agent, and others assisting the agent, have access to your non-public personal information as needed to administer your business, provide service to you and make you aware of other financial products and services offered by F&G Life of NY.

We reserve the right to disclose all of the non-public personal information we collect, as described above, to third parties that perform services on our behalf (including marketing services) or to other financial institutions with whom we have or will have joint marketing agreements.

F&G Life of NY is a member of the Old Mutual plc group of companies. Our affiliates include other financial service companies. We may disclose non-public personal information to our affiliates for purposes such as servicing or administering your policy, fulfilling your requests, and management oversight.

We do not share personally identifiable health information unless you, or the applicable law, authorizes such sharing.

Our privacy policy applies to both current customers and former customers.

## **CONFIDENTIALITY AND SECURITY**

We restrict access to your non-public personal information to those who need it to provide our financial protection and retirement savings products and services to you, and to maintain and improve customer service. We maintain physical, electronic, and procedural safeguards that comply with federal and state laws and regulations to guard your non-public personal information.

## **CHANGES IN PRIVACY POLICY**

We may choose to modify our policy regarding the treatment of non-personal information at any time. Before we do so, we will notify you and provide an updated notice.

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