



Agent Contracting

**Please complete the following contracting package and FAX to
866-866-2232 (toll-free) or 732-792-9777**

**AnnuityCommissions.com
28 Harrison Ave., Suite D209
Englishtown, NJ 07726**

**If you have any questions or changes to existing contracts, please contact
Hersh Stern at 866-866-1999 (toll-free) or 732-792-1011.**

LINCOLN BENEFIT LIFE
AN ALLSTATE COMPANY

Lincoln Benefit Life Checklist

- Confidential Personal Information Form (LBL7986)
- FCRA Form (LBL6221). For CA resident agents use CA-FCRA Form (LBL6313). For MN & OK residents use Form (LBL6995).
- Anti-Money Laundering Training taken through LIMRA. If you have taken the course through LIMRA nothing further is required. If you haven't taken the AML training, you will be invited to take the LIMRA course after you are contracted with Lincoln Benefit Life.
- Contract
- Resident License Copy
- Current E&O declaration page, specifying coverage of \$1 million per claim

Step 7 Transfer or Dual Contracting Information

If I am already contracted with Lincoln Benefit Life under another recruiting organization, my preference is to:

(select one) Transfer Dual Contract

If we find that you are already contracted and you do not choose one of the above, your contract will be transferred.

AGENT TRANSFER POLICY

1. Every transfer **must** include this form which needs to be signed by both the agent requesting the transfer and the recruiter accepting the transferred agent.
2. Lincoln Benefit Life will **NOT** transfer issued business under this new agent number.
3. If an application is submitted with this request, you must provide us with the client's name(s) and part 1 date(s) in the space provided below.
4. All business dated after the transfer date will go to the new recruiter.
5. Agents are **only** allowed to transfer their contract after the initial first six months of being contracted with Lincoln Benefit Life.

*** SPECIAL AGENTS**

1. Special Agents **must** obtain a release from the current recruiter unless they have not produced any new business in the previous 12 months. All other rules above apply.

AGENT DUAL CONTRACTING POLICY

1. All contracted agents are limited to two active fixed contracts.
2. Both recruiters will be notified of this request.
3. Lincoln Benefit Life will **NOT** transfer issued business under this new agent number.
4. A new contract must be submitted with this request.
5. This request needs to be processed by Lincoln Benefit Life prior to submitting business applications under this contract.

*** SPECIAL REQUIREMENTS**

1. Agents are **ONLY** allowed to be dually contracted at current contract level (or lower) unless signature from releasing recruiter is obtained.
2. Agents are **ONLY** allowed to dual contract after their initial first six months of being contracted with Lincoln Benefit Life unless signature from releasing recruiter is obtained.

IDENTIFY ALL BUSINESS APPLICATIONS BEING SUBMITTED WITH THIS REQUEST:

LAST NAME	FIRST NAME	M.I.	POLICY NUMBER	APPLICATION DATE
				/ /
				/ /
				/ /

Step 8 Regulatory & Background Questions

Please answer the following questions on the individual agent or the principal of the corporation/agency applying for the contract.

- 1) Have you ever been charged with a felony? Yes No
- 2) Have you ever been charged with a misdemeanor including allegations of fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion or a conspiracy to commit any of these offenses? Yes No
- 3) Have you individually, or has a company you exercised control over, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition in the previous 2 years? Yes No
- 4) Has any regulatory body ever taken action against you or any of your insurance, securities or other professional license? Yes No

If you answered "yes" to any of the above questions, attach explanations.

Step 9 Regulatory Requirements

Have you completed your Anti-money Laundering training? Yes or No *If taken through LIMRA, no further action is necessary. If you haven't taken the course, you will be invited to take it after we have assigned you a writing number. Refresher training through LIMRA is required every 24 months for the tenure of your appointment with LBL.

Step 10 Direct Deposit of Commissions

Having your commissions direct deposited are optional, however, it can speed up the receipt of your commissions by several days.

I wish to have my commissions Direct Deposited (for direct deposit of variable commissions, please contact your Broker Dealer)
Fax # for pre-deposit notification (optional): (_____) _____

***** ATTACH YOUR VOIDED CHECK OR SAVINGS DEPOSIT SLIP*****

Bank institution name: _____

Bank institution address: _____

Type of Account: Checking Savings Account #: _____ Routing #: _____

By signing below, I authorize and request Lincoln Benefit Life Company to direct the net amount of any payment to me for crediting in my account at the financial institution designated above. "Payment" means any compensation payable to me under the terms of my contract. This authorization is not an assignment of my rights to receive such payment and revokes all prior payment direction notifications applicable to any such payment. I understand that the financial institution designated above reserves the right to cancel this agreement by notice to me; however, the authorization will remain in full force and effect with Lincoln Benefit Life Company until Lincoln Benefit Life Company has received written notification from me of its termination in such time and in such manner as to afford Lincoln Benefit Life Company a reasonable opportunity to act upon it.

Step 11 Certification & Authorization

Authorization for Release of Information – I hereby authorize any bank, credit bureau, financial institution, insurance company, agency, court of law, person, or organization that has any records or knowledge of my financial status, credit standing, or criminal history to give Lincoln Benefit Life or their representative any such information. It is our policy to develop background information on agents who wish to be appointed with our company using credit reports and criminal court records (involving convictions only). If as a result of the investigation, we are unable to appoint you, we will notify you. Subsequent credit reports and criminal court records reports may be requested from time to time in order to update our files.

I agree not to solicit business for Lincoln Benefit Life until my license is in my possession and when the company notifies me that I am qualified to write business for this company.

I certify that the information and answers to the questions on this processing form are true and correct to the best of my knowledge. Information found to be incorrect may result in termination.

We certify that the information you have entered here will be held in strict confidence.

Certification

Under penalties of perjury, I certify that (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), (2) I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including a U.S. resident alien).

The Internal Revenue Service does not require your consent to any provisions of this document other than the certification required to avoid backup withholding.

PLEASE SIGN HERE: _____ DATE: _____

**Recruiter GA: Hersh Stern 4 Y 0 2 5
(Tel: 866-866-1999)**

LINCOLN BENEFIT LIFE
AN ALLSTATE COMPANY

**Release Authorization and
Fair Credit Reporting Act Disclosure
Regarding Procurement of A Consumer Report**

This is to notify you that in connection with your agent application, we may procure a consumer report on you as part of the process of considering your application or determining whether you meet our contracting standards. In the event that information from the report is utilized in whole or in part in making an adverse decision, before making the adverse decision, we will provide you with a copy of the consumer report and a description in writing of your rights under the Fair Credit Reporting Act.

Please be advised that we may also obtain an investigative consumer report including information as to your character, general reputation, personal characteristics, and mode of living. This information may be obtained by contacting your present and previous employers or references supplied by you. Please be advised that you have the right to request, in writing, within a reasonable time, that we make a complete and accurate disclosure of the nature and scope of the information requested.

This release and authorization shall remain valid and in effect for the duration of your contract with us. We reserve the right to run subsequent consumer reports and/or investigative consumer reports on an as-needed basis.

You may revoke this Authorization at any time, provided that the revocation is in writing, except to the extent that Lincoln Benefit Life has taken actions relying on this Authorization. If you would like to revoke this Authorization, please send a written revocation to: Lincoln Benefit Life, PO Box 660191 Dallas, TX 75266-0191.

By signing below, I hereby authorize Lincoln Benefit Life and its affiliates to obtain a consumer report and/or an investigative report about me in order to process my agent application. In addition, I also authorize all entities having information about me, including present and former employers, criminal justice agencies, departments of motor vehicles, schools, and credit reporting agencies, to release such information to Lincoln Benefit Life and its affiliates.

Signature: _____ Date: _____

Please print the following information:

Name: _____

Home Address: _____

City/State/Zip: _____

Date of Birth*: _____

Social Security Number: _____

* Date of Birth required for background investigation purposes only, and will be used for no other purposes.

Applicants: Please retain a copy for your files.

Lincoln Benefit Life Company

PO Box 660191 Dallas, TX 75266-0191 Phone 800.525.9287 Fax 877.843.0271 Email lblidcpt@allstate.com

A N A L L S T A T E C O M P A N Y

**Release Authorization,
Fair Credit Reporting Act Disclosure and California Investigative Reporting Act Disclosure
Regarding Procurement of A Consumer Report and An Investigative Consumer Report
CALIFORNIA RESIDENT AGENTS ONLY**

This is to notify you that Lincoln Benefit Life Company ("LBL") may procure a consumer report on you as part of the process of considering your agent application or determining whether you meet our contracting standards. The consumer report is based on public information relating to you. In the event that information from the consumer report is utilized, in whole or in part, in making an adverse decision, we will provide you with a copy of the consumer report and a description in writing of your rights under the Fair Credit Reporting Act before making the adverse decision.

Please be advised that we may also obtain an investigative consumer report on you. An investigative consumer report includes information as to your character, general reputation, personal characteristics, and mode of living. In California, this report may be covered under the California Investigative Consumer Reporting Agencies Act (the "CICRAA"). LBL will procure this report using an Investigative Consumer Reporting Agency. The exact nature and scope of the report requested by LBL includes: Social Security Number Verification, County Criminal Records Search, Bankruptcy Search, Tax Lien Search and Insurance Background Search. This information may also be obtained by contacting your present and previous employers or references supplied by you. The Investigative Consumer Reporting Agency contracted to prepare the report is:

Business Information Group, Inc.
PO Box 130
Southampton, PA 18966
1-800-260-1680

This release and authorization shall remain valid and in effect for the duration of your contract with us. We reserve the right, where permitted by law, to run subsequent consumer reports and/or investigative consumer reports on an as-needed basis. You may revoke this Authorization at any time, provided that the revocation is in writing, except to the extent that LBL has taken actions relying on this Authorization. If you would like to revoke this Authorization, please send a written revocation to: Lincoln Benefit Life Company, PO Box 660191, Dallas, TX 75266-0191.

LBL will not request a subsequent investigative consumer report for California residents without obtaining a new Release Authorization form signed by you, unless obtaining the investigative consumer report is otherwise authorized under the CICRAA.

Under the CICRAA, you have a right to request a copy of the consumer report from the Investigative Consumer Reporting Agency named above. Attached you will find a copy of Section 1786.22 of the CICRAA outlining the rights that you have to access the information contained in the investigative consumer report. You may also obtain a copy of the consumer report or investigative consumer report from LBL by checking the box below.

By signing below, I hereby authorize LBL and its affiliates to obtain a consumer report and/or an investigative report about me from Business Information Group, Inc. in order to process my agent application. In addition, I also authorize all entities having information about me, including present and former employers, criminal justice agencies, departments of motor vehicles, schools, and credit reporting agencies, to release such information to Business Information Group, Inc. and/or LBL or its affiliates.

Signature: _____ **Date:** _____

FOR CALIFORNIA RESIDENTS:

I wish to be provided with a copy of the report obtained from Business Information Group.

Please print the following information:

Name: _____

Home Address: _____

City/State/Zip: _____

Date of Birth*: _____ Social Security Number: _____

* Date of Birth required for background investigation purposes only, and will be used for no other purposes.

Applicants: Please retain a copy for your files.

INVESTIGATIVE CONSUMER REPORTING AGENCIES ACT
California Civil Code Section 1786.22

- (a) An Investigative Consumer Reporting Agency shall supply files and information required under Section 1786.10 during normal business hours and on reasonable notice.
- (b) Files maintained on a consumer shall be made available for the consumer's visual inspection, as follows:
 - (1) In person, if he appears in person and furnishes proper identification. A copy of his file shall also be available to the consumer for a fee not to exceed the actual costs of duplication services provided.
 - (2) By certified mail, if he makes a written request, with proper identification, for copies to be sent to a specified addressee. Investigative Consumer Reporting Agencies complying with requests for certified mailings under this section shall not be liable for disclosures to third parties caused by mishandling of mail after such mailings leave the investigative consumer reporting agencies.
 - (3) A summary of all information contained in files on a consumer and required to be provided by Section 1786.10 shall be provided by telephone, if the consumer has made a written request, with proper identification for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to the consumer.
- (c) The term "proper identification" as used in subdivision (b) shall mean that information generally deemed sufficient to identify a person. Such information includes documents such as a valid driver's license, social security account number, military identification card, and credit cards. Only if the consumer is unable to reasonably identify himself with the information described above, may an Investigative Consumer Reporting Agency require additional information concerning the consumer's employment and personal or family history in order to verify his identity.
- (d) The Investigative Consumer Reporting Agency shall provide trained personnel to explain to the consumer any information furnished him pursuant to Section 1786.10
- (e) The Investigative Consumer Reporting Agency shall provide a written explanation of any coded information contained in files maintained on a consumer. This written explanation shall be distributed whenever a file is provided to a consumer for visual inspection as required under Section 1786.22.
- (f) The consumer shall be permitted to be accompanied by one other person of his choosing, who shall furnish reasonable identification. An Investigative Consumer Reporting Agency may require the consumer to furnish a written statement granting permission to the consumer reporting agency to discuss the consumer's file in such person's presence.

A N A L L S T A T E C O M P A N Y

**Release Authorization,
Fair Credit Reporting Act Disclosure
Regarding Procurement of A Consumer Report and An Investigative Consumer Report
MINNESOTA and OKLAHOMA RESIDENT AGENTS ONLY**

This is to notify you that Lincoln Benefit Life Company ("LBL") may procure a consumer report on you as part of the process of considering your agent application or determining whether you meet our contracting standards. The consumer report is based on public information relating to you. In the event that information from the consumer report is utilized, in whole or in part, in making an adverse decision, we will provide you with a copy of the consumer report and a description in writing of your rights under the Fair Credit Reporting Act before making the adverse decision.

Please be advised that we may also obtain an investigative consumer report on you. An investigative consumer report includes information as to your character, general reputation, personal characteristics, and mode of living. In Minnesota, this report may be covered under Chapter 13C of the Minnesota Statutes entitled "Access to Consumer Reports". LBL will procure this report using an Investigative Consumer Reporting Agency. The exact nature and scope of the report requested by LBL includes: Social Security Number Verification, County Criminal Records Search, Bankruptcy Search, Tax Lien Search and Insurance Background Search. This information may also be obtained by contacting your present and previous employers or references supplied by you. You have the right to request additional information on the nature and scope of this report from the following Investigative Consumer Reporting Agency contracted to prepare the report:

Business Information Group, Inc.
PO Box 130
Southampton, PA 18966
1-800-260-1680

This release and authorization shall remain valid and in effect for the duration of your contract with us. We reserve the right, where permitted by law, to run subsequent consumer reports and/or investigative consumer reports on an as-needed basis. You may revoke this Authorization at any time, provided that the revocation is in writing, except to the extent that LBL has taken actions relying on this Authorization. If you would like to revoke this Authorization, please send a written revocation to: Lincoln Benefit Life Company, PO Box 660191 Dallas, TX 75266-0191.

You have a right to request a copy of the consumer report from the Investigative Consumer Reporting Agency named above. You may also obtain a copy of the consumer report or investigative consumer report from LBL by checking the box below.

By signing below, I hereby authorize LBL and its affiliates to obtain a consumer report and/or an investigative report about me from Business Information Group, Inc. in order to process my agent application. In addition, I also authorize all entities having information about me, including present and former employers, criminal justice agencies, departments of motor vehicles, schools, and credit reporting agencies, to release such information to Business Information Group, Inc. and/or LBL or its affiliates.

Signature: _____

Date: _____

FOR MINNESOTA and OKLAHOMA RESIDENTS:

I wish to be provided with a copy of the report obtained from Business Information Group.

Please print the following information:

Name: _____

Home Address: _____

City/State/Zip: _____

Date of Birth*: _____ Social Security Number: _____

* Date of Birth required for background investigation purposes only, and will be used for no other purposes.

Applicants: Please retain a copy for your files

Lincoln Benefit Life Company, Lincoln, Nebraska GENERAL AGENT'S AGREEMENT — APPOINTMENT

GENERAL AGENT:

Name: _____

By: _____
(Signature of Agent or Firm Principal)

(Print or Type Name and Title Here)

Date: _____

**BENEFICIARY TO RECEIVE COMMISSIONS PAYABLE
AFTER DEATH (LIMITED TO ONE INDIVIDUAL):**

Name of Beneficiary: _____
(Print or Type Name Here)

Address of Beneficiary: _____

RECRUITING ORGANIZATION:

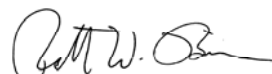
Name: _____

By: _____
(Signature of Agent or Firm Principal)

(Print or Type Name and Title Here)

Recruiter's Agent #: **HERSH STERN 4 Y 0 2 5**

LINCOLN BENEFIT LIFE COMPANY:



By: Robert W. Birman, Vice President

Agreement Effective Date: _____

INITIAL COMMISSION SCHEDULE FORM: LEVEL 7

Lincoln Benefit Life Company (“**LBL**”) hereby appoints the individual or entity named above as its **GENERAL AGENT (“GA” or “you”)** with duties, powers, and obligations as herein set forth, and **GA** hereby accepts the appointment on the terms and conditions set forth herein. The provisions stated in all exhibits, supplements, Commission Rules, and Schedules of Commissions are incorporated into and made a part of this Agreement. **Effective Date** -- For all GAs that are natural persons, except where prohibited by the law of the state in which GA holds a resident license, this Agreement shall become executed and effective upon the earlier of 1) your submission of an insurance application to LBL and submission of your appointment by LBL to the state, or, 2) the first payment of commissions to a subagent assigned to GA. In states where the above is not permitted, this Agreement shall become effective immediately. If GA is not a natural person (i.e. corporation, other entity, etc.), this Agreement shall become effective immediately. If any provision of the Agreement is now or shall in the future be in conflict with any applicable law, regulation or Department of Insurance ruling or order, it shall be modified to the extent necessary for compliance. This Agreement shall supersede all previous agreements between the parties.

Authority — You are authorized to act as an Agent on behalf of **LBL** for the purpose of developing and supervising the distribution of **LBL’s** insurance products. Specifically, you are authorized to:

- 1) Recruit and recommend persons for appointment by **LBL** as insurance agents.
- 2) Train and supervise such agents in accordance with the standards of **LBL** and the requirements of the state or states in which they are licensed and in which they act as an agent for **LBL**.
- 3) Solicit applications for the policies of insurance and annuity contracts written by **LBL** and approved for marketing.

Responsibilities – You are required to follow certain guidelines while exercising the authority granted under this Agreement. These guidelines include, but are not limited to, the following:

- 1) For any applications solicited by you, you shall submit such applications when received to **LBL**. You shall also collect the first premium and transmit all collections promptly to **LBL**.
- 2) You shall promptly deliver any policy or contract issued by **LBL** to the owner of the policy or contract. In no event shall delivery take longer than thirty (30) days from the date you receive the policy or contract. In the event delivery will take longer than thirty (30) days, you are required to notify **LBL**.
- 3) You shall make reasonable effort to preserve business issued by **LBL** and to maintain in force policies issued by **LBL**.
- 4) You shall at all times comply with the applicable requirements and procedures of **LBL** that are communicated to you pertaining to underwriting practices, acceptance of risks, delivery of policies and all other areas of conduct for **LBL’s** business.
- 5) Licensing of agents shall be in compliance with statutory and regulatory requirements of the Departments of Insurance or other regulatory agencies and in accordance with the standards and procedures established by **LBL**. Neither you nor any of your agents

shall solicit business for **LBL** until you or your agents are qualified and authorized under applicable law to write business for **LBL**.

- 6) You must at all times have the capacity to communicate with **LBL** through electronic mail and to accept electronic communications and transactions including, but not limited to, receiving and sending e-mail correspondence and accessing and receiving internet communications.
- 7) You shall notify **LBL** immediately upon becoming aware of any misdemeanor or felony criminal convictions (excluding minor traffic citations) relating to you, your employees, or any agent licensed under you and appointed with **LBL**.
- 8) Comply with **LBL's** requirements and procedures concerning the replacement of life insurance policies and annuity contracts. A replacement occurs whenever an existing policy or contract is terminated, converted, or otherwise changed in value. For any transaction involving a replacement, **LBL** requires you to:
 - a) recommend the replacement only when replacement is in the best interest of the customer;
 - b) fully disclose any and all relevant information to the customer, including: (i) comparing old and new premium expenses, surrender charges, cash values, and death benefits; (ii) any specific loss of cash value or policy value related to surrendering the existing policy; (iii) all guaranteed and maximum values of both policies; (iv) whether a new contestability period and/or suicide clause will start under the new policy; and (v) whether the customer will have to resubmit to underwriting to purchase the new policy;
 - c) provide state-required replacement notices to customers on the same day the application is taken and indicate on the application that the transaction involves the full or partial replacement of an existing policy; and
 - d) never recommend that a customer cancel an existing policy until a new policy is in force, and the customer has determined that the new policy is acceptable.
- 9) Adhere to **LBL's** rules and regulations concerning ethical market conduct, which require that you:
 - a) carefully evaluate the insurance needs and financial objectives of your clients, and use sales tools (e.g., policy illustrations and sales brochures) to determine that the insurance or annuity you are proposing meets these needs;
 - b) maintain a current license and valid appointment in all states in which you promote the sale of **LBL** products to customers and keep current of changes in insurance laws and regulations by reviewing the bulletins and newsletters published by the State Departments of Insurance and **LBL**;
 - c) comply with **LBL's** policies concerning replacements, and refrain from providing false or misleading information about a competitor or competing product or otherwise making disparaging remarks about a competitor; submit, prior to use, all advertising materials intended to promote the sale of **LBL** products to **LBL** for approval;
 - d) immediately report to **LBL** any customer complaints, whether written or oral, and assist **LBL** in resolving the complaint to the satisfaction of all parties; and
 - e) communicate these standards to any agents or officer personnel that you directly supervise and request their agreement to be bound by these conditions as well.
- 10) During the term of this Agreement, you will maintain errors and omissions insurance coverage in an amount satisfactory to **LBL** underwritten by an insurer satisfactory to **LBL**. Coverage must insure against any negligent act, error, or omission by you or any person employed by you in the rendering of any services related to this Agreement. You will provide proof of such coverage upon our request.

Independent Contractor – The relationship you have with **LBL** under this Agreement is that of an independent contractor. Neither you nor your employees or agents shall be deemed to be the employee or servant of **LBL**.

You also acknowledge that all agents in your hierarchy are independent contractors of **LBL** and, at a subagent's election or for good cause, can be transferred by **LBL** in accordance with **LBL's** transfer rules. None of the benefits provided by **LBL** to its employees, including, but not limited to, workers compensation insurance and unemployment insurance, are available to you, your employees, and agents.

Hold Harmless and Indemnification -- **LBL** will not be liable for any obligation, act or omission of **GA** or Agents. **LBL** will hold harmless and indemnify **GA** for any loss or expense suffered as a result of the noncompliance by **LBL** with respect to any applicable law or regulation or any provision of this Agreement.

GA will not be liable for any obligation, act or omission of **LBL**. **GA** will hold harmless and indemnify **LBL** for any loss or expense suffered as a result of the noncompliance by **GA** or Agents with respect to any applicable law or regulation or any provision of this Agreement.

Limitation of Authority – You shall not possess or exercise any authority on behalf of **LBL** other than expressly conferred by this Agreement. Activities that you are specifically not authorized to perform on behalf of **LBL** include, but are not limited to:

- 1) Making, altering, or discharging any contract.
- 2) Incurring any indebtedness or liability on behalf of **LBL**.

- 3) Expending, or contracting for the expenditure of, any funds of **LBL**.
- 4) Extending the time for payment of any premium, binding **LBL** to the reinstatement of any terminated policy, or accepting notes for payment of premiums.
- 5) Waiving or modifying any terms, conditions, or limitations of any policy.
- 6) Adjusting, settling, or committing **LBL** to any action regarding any claim.
- 7) Issuing, using, or circulating any advertisement or literature referencing **LBL** unless the advertisement or literature has first been approved in writing by **LBL**.
- 8) Entering into any legal proceedings on behalf of **LBL** in connection with any matters pertaining to **LBL's** business.
- 9) Delivering any policy issued by **LBL** prior to the settlement by the applicant of the first premium or required funding for the policy or contract.
- 10) Delivering any policy when you or your agents have knowledge of any impairment of the applicant's health either not disclosed on the application or that occurred subsequent to the securing of the application.

Records – All books, records, application forms, and material furnished by **LBL** pertaining to the solicitation of applications for insurance hereunder shall be the property of **LBL** and shall be destroyed or returned to **LBL** upon termination of this Agreement. All other records pertaining to your performance under this agreement shall be open to inspection by **LBL** or by the Department of Insurance (as required by law) at all times.

Expenses – You shall pay all expenses of every nature incurred in connection with the conduct of your business, and **LBL** shall not be liable in any way therefore.

Taxes – You shall assume full responsibility for, and indemnify **LBL** against, any liability in connection with the payment of all federal, state, and local taxes or contributions imposed or required under unemployment insurance, social security, income tax, and related laws with respect to compensation received under this Agreement by you.

Fiscal Responsibility – You shall immediately pay to **LBL** all monies received by you or your agents on all applications obtained and policies issued. All such funds shall be segregated by you and held by you in trust. Such funds shall not be used by you for any purpose.

Compensation – Your compensation shall be based on your personal production and the production of all agents assigned to you. You shall be compensated according to the Schedule of Commissions, as amended from time to time, for premiums received on policies issued by **LBL** for applications secured under this Agreement. Payment of commissions shall be made at such times and in the manner **LBL** considers appropriate for the efficient administration of this Agreement. The Schedule of Commissions is subject to change by **LBL**, but any change shall not apply to business written prior to the effective date of the change. The statements issued by **LBL** concerning agent's commissions and service fees paid and/or payable, advances and indebtedness shall be conclusive unless, within thirty (30) days following the date the statement is published, you notify **LBL** of a dispute regarding any transactions reported on that statement. If a policy on which you are receiving commission or services lapses for any reason, no further commission will be paid to you unless the policy is reinstated and you remain the agent of record.

If, at any time, for any reason, **LBL** refunds any premium on which you received a commission or service fee, you shall immediately repay to **LBL** the commission you received on such premium. If **LBL** returns policy or contract values, and waives applicable withdrawal or surrender charges, to settle a policy or contract owner dispute or complaint, the return of policy or contract values shall be considered a refund of premium to the extent of premiums previously paid into the policy or contract.

Vesting – Your right to commissions shall be deemed fully vested, except as specifically limited in this Agreement or the Schedule of Commissions, and renewal commissions shall be paid for the term and in the amount shown in the applicable Schedule of Commissions. Following the termination of this Agreement for any reason, the amount shown as services fees in the Schedule of Commissions may be reduced by half.

Indebtedness – You shall be responsible to **LBL** for the acts of your agents and employees and for the indebtedness of your agents to **LBL**. **LBL** shall have a retaining first lien against any commissions payable hereunder for any indebtedness of you or your agents to **LBL**, and **LBL** may charge and set off any such amounts due from commissions payable. Your indebtedness shall be absolutely repayable on demand from **LBL**. Following demand for repayment or termination of this Agreement, whichever occurs first, **LBL** may assess interest at the maximum lawful rate on all indebtedness from that date until paid. You shall be responsible to **LBL** for all costs and expenses, including legal fees, incurred by **LBL** as a part of its efforts to collect indebtedness.

Beneficiary – If you are a natural person, you may name one beneficiary to receive any commissions that are payable after your death. **LBL** reserves the right to require evidence that there are no conflicting claims before making payments to the named beneficiary. In the absence of a valid beneficiary designation, payments shall be made to your estate. If the commissions paid for the calendar year prior to the year of your death were less than the minimum required amount stated in the most recent Commission Rules, then no commissions will be payable after your death. In addition, if the amount of commissions for any consecutive 12-month period after your death is less than the minimum required amount stated in the most recent Commission Rules, no further commissions will be paid to a beneficiary or your estate.

Assignment – You may not assign this Agreement, any interest in this Agreement, or any compensation earned or to be accrued under this Agreement without the prior written consent of **LBL**.

Termination – Either party may terminate this Agreement at any time by giving written notice. Notice may be mailed or delivered to the last known address of the other party. If you reside in, or are licensed in a state that requires pre-notice of appointment termination, you hereby agree to waive any advance notice of appointment termination and agree that termination will be effective immediately upon delivery of written notice. Upon termination, you shall in no manner thereafter act for **LBL** and shall promptly account for and remit to **LBL** any monies then held for it. On demand, you shall return all undelivered policies to **LBL**, and return or destroy all rate books, or other records, materials, and properties belonging to **LBL**.

Termination For Cause – This Agreement may be terminated for cause by **LBL** immediately upon written notice to GA if GA:

1. Wrongfully withholds or misappropriates any funds, insurance policies or contracts, or other property belonging to an applicant, policy or contract owner or **LBL**;
2. Acts to injure the business, discredit the reputation, or to materially prejudice the interests of **LBL**;
3. Fails to comply with the terms or conditions of this Agreement;
4. Violates any state or federal insurance law or regulation;
5. Commits any fraud upon **LBL** or its policy or contract owners.

For a period of two years following termination of this Agreement **LBL** reserves the right to treat and characterize the termination as a termination for cause if **LBL** determines that an activity or event listed in paragraphs 1 through 5 above occurred either before termination or within two years after termination.

In the event GA is terminated for cause, then GA shall forfeit any and all rights to commissions or any other thing of value then due or to thereafter accrue or vest under this or any other Agreement with **LBL**.

Law Applicable – The execution and performance of this Agreement involves transacting business in the State of Nebraska by you with **LBL**. This Agreement shall be governed by and construed according to the laws of the State of Nebraska. All actions with respect to this Agreement shall be brought in a court of competent jurisdiction in Lancaster County, Nebraska.

Non-Public Personal Financial Information –

(Requirements pursuant to the Gramm-Leach-Bliley Act)

You agree to protect any confidential information of **LBL** customers that is accessible by you. Confidential Information includes, but is not limited to, any nonpublic personal information about **LBL's** customers or potential customers, regardless of whether it is personally identifiable or anonymous information. Such nonpublic personal information includes, but is not limited to:

- 1) Application information, such as assets and income;
- 2) Identifying information, such as name, address and social security number;
- 3) Transaction information such as policy activity; contract balances, purchases and withdrawals; and
- 4) Information from other sources, such as credit reports.

You agree, now and at all times in the future, not to use or disclose Confidential Information to any person or entity, other than to carry out the purposes for which the **LBL** applicant or customer disclosed the information, or as necessary to carry out the lawful business purposes of this Agreement, or as otherwise allowed by law or regulation. Use or disclosure of Confidential Information shall comply with federal and state privacy laws, rules and regulations. You agree to adhere to **LBL's** policies and procedures related to maintaining the privacy and protection of applicants' and customers' Confidential Information.

You shall establish policies and procedures to protect such Confidential Information in accordance with commercially reasonable standards and at a minimum using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, disclosure or duplication of such Confidential Information as **LBL** uses to protect its own confidential information. You will implement appropriate measures to:

- 1) Ensure the security and confidentiality of **LBL's** customer information;
- 2) Protect against any anticipated threats or hazards to the security or integrity of such information; and
- 3) Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

Confidential Information shall be returned to **LBL**, or destroyed upon **LBL's** request, once the services contemplated by this Agreement have been completed, or upon termination of this Agreement. In addition, you shall not be entitled to use such Confidential Information for any purpose thereafter.

Further, you agree that any violation of this section shall be a material breach of this Agreement and shall entitle **LBL** to immediately terminate this Agreement without penalty upon notice to you. You agree to permit **LBL** to audit your compliance with this section, and with all applicable laws, rules and regulations, during regular business hours upon reasonable notice to you. The provisions of this section shall survive any termination of this Agreement.

**PROTECTED HEALTH INFORMATION
(Requirements pursuant to HIPAA)**

- 1) Definitions. The following definitions relate to this section only.

- a) Business Associate. "Business Associate" means a person who performs, or assists in the performance of, a function or activity involving the use or disclosure of individually identifiable health information, or any other function or activity regulated by the Privacy Rule.
- b) Individual. "Individual" means the person who is the subject of protected health information, or that person's personal representative in his or her fiduciary capacity.
- c) Individually Identifiable Health Information shall mean information that is a subset of health information, including demographic information collected from an individual, and (i) is created or received by a health care provider, health plan, health care clearinghouse (as those terms are defined in the Privacy Rule), or employer; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (a) identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- d) Privacy Rule. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E, as in effect or as amended.
- e) Protected Health Information. "Protected Health Information" or "PHI" shall mean Individually Identifiable Health Information transmitted or maintained in any form or medium that you create or receive from or on behalf of **LBL** in the course of fulfilling its obligations under this Agreement. "PHI" shall not include (i) education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. §1232g, and (ii) records described in 20 U.S.C. §1232g(a)(4)(B)(iv).
- f) Required By Law. "Required By Law" means a mandate contained in law that compels a covered entity to make a use or disclosure of PHI and that is enforceable in a court of law.
- g) Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- h) Security Incident. "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- i) Security Rule. "Security Rule" shall mean the Health Insurance Reform: Security Standards for the protection of Electronic PHI at 45 CFR Part 160 and Part 164, Subpart C, as in effect or as amended.

2) Obligations and Activities

- a) You agree to comply with the policies and procedures of **LBL** with respect to PHI.
- b) You agree to not use or disclose PHI other than as permitted or required by the Agreement or as Required by Law.
- c) You agree to use appropriate safeguards, including safeguards for the protection of electronic PHI, as provided in the Security Rule (45 C.F.R. Parts 160 and 164), to prevent use or disclosure of PHI other than as provided for by this Agreement;
- d) You agree to mitigate, to the extent practicable, any harmful effect that is known to you of a use or disclosure of PHI by you in violation of the requirements of this Agreement.
- e) Business Associate shall notify the appropriate Covered Entity of any use or disclosure of such Covered Entity's PHI of which Business Associate becomes aware. Business Associate shall also notify the appropriate Covered Entity of any Security Incident or any Breach of Unsecured PHI of which it becomes aware. Business Associate shall provide such notification to Covered Entity without unreasonable delay and in no case later than five (5) days after the discovery by Business Associate of the non-permitted use or disclosure, Security Incident, or Breach.

The Notification from Business Associate to Covered Entity shall be in writing and shall:

- (i) identify each individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired, used, or disclosed during the non-permitted use or disclosure, Security Incident, or Breach;
- (ii) provide a description of what happened, including the date of the non-permitted use, Breach, or Security Incident and the date of the discovery of the non-permitted use or disclosure, Security Incident, or Breach;
- (iii) provide a description of the types of Unsecured PHI that were involved in the non-permitted use or disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved) on an individual basis;
- (iv) identify who made or caused the non-permitted use or disclosure, Security Incident, or Breach and who received the non-permitted disclosure;
- (v) identify any steps individuals should take to protect themselves from potential harm resulting from the non-permitted use or disclosure, Security Incident or Breach; and
- (vi) provide such other information, including a written report, as Covered Entity may reasonably request.

Business Associate shall pay for the reasonable and actual costs associated with the notices Covered Entity is required to provide to individuals pursuant to 45 C.F.R Section 164.404, and for the reasonable and actual costs of any mitigating

measures the Covered Entity reasonably deems appropriate. Business Associate shall also use all reasonable efforts to assist Covered Entity in investigating the non-permitted use or disclosure, Security Incident; or Breach.

In addition, Business Associate will provide a written report to Covered Entity of any attempted or successful (i) unauthorized access, use, disclosure, modification, or destruction of Covered Entities' Electronic PHI, or (ii) interference with Business Associate's system operations in Business Associate's information systems, of which Business Associate becomes aware. Business Associate will make this written report once per month, except that, if any such incident resulted in a use or disclosure not permitted by this BAA, in a Security Incident, or in a Breach of Covered Entities' Unsecured PHI, Business Associate will provide notice in accordance with the provisions set forth in the paragraphs of this Section above.

- f) You agree to ensure that any person or entity to whom you provide PHI received from **LBL** or the Individual, or created or received by you on behalf of **LBL**, agrees to the same restrictions and conditions that apply through this Agreement to you with respect to such information.
- g) You agree to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by you on behalf of, **LBL**, available to **LBL**, or to the Secretary, within ten (10) days of such request, or as designated by the Secretary, for purposes of the Secretary determining **LBL's** compliance with the Privacy Rule.
- h) You shall keep a record of disclosures of PHI and agree to make information regarding disclosures of PHI available to **LBL** within fifteen (15) days of a request by **LBL**. You shall provide, at a minimum, the following information: (i) the date of disclosure; (ii) the name of the entity or person who received the PHI, and the address of such entity or person, if known; (iii) a brief description of the PHI disclosed; (iv) a brief statement regarding the purpose and explanation of the basis of such disclosure and (v) the names of all Individuals whose PHI was disclosed.
- i) Within fifteen (15) business days of a request by **LBL**, you agree to comply with **LBL's** request to accommodate an Individual's access to his/her PHI. In the event an Individual contacts you directly about access to PHI, you will not provide access to the Individual but shall forward such request to **LBL** within five (5) business days of such contact.
- j) Within fifteen (15) business days of a request by **LBL**, you agree to comply with **LBL's** request to make amendments to PHI. You shall promptly incorporate any such amendments into the PHI. In the event an individual contacts you directly about making amendments to PHI, you will not make any amendments to the individual's PHI but shall forward such request to **LBL** within five (5) business days of such contact.
- k) You agree to notify **LBL** within five (5) business days of your receipt of any request, subpoena, or judicial or administrative order to disclose PHI. To the extent that **LBL** decides to assume responsibility for challenging the validity of such request, subpoena or order, you agree to cooperate fully with **LBL** in such challenge.
- l) If a customer terminates his or her relationship with you, or the customer's policy is not renewed, or is canceled, you shall return to **LBL**, or destroy, all PHI received from **LBL**, or created or received by you from the customer. This provision shall apply to PHI that is in the possession of your employees, subcontractors, agents or associates. You shall retain no copies of the PHI.

3) Permitted Uses and Disclosures

General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, you may use or disclose PHI to perform functions, activities, or services for, or on behalf of, **LBL** as specified in the Agreement provided that such use or disclosure would not violate the Privacy Rule if done by **LBL**.

Specific Use and Disclosure Provisions

- a) Except as otherwise limited in this Agreement, you may use PHI for the proper management and administration of your business or to carry out your legal responsibilities.
- b) Except as otherwise limited in this Agreement, you may disclose PHI for the proper management and administration of your business, provided that disclosures are Required By Law, or you obtain reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies you of any instances of which it is aware in which the confidentiality of the information has been breached.
- c) You may use PHI to report violations of law to **LBL** and to appropriate Federal and State authorities, where consistent with the Privacy Rule.
- d) Use PHI to provide Data Aggregation services to **LBL** as permitted by 42 CFR 164.504(e)(2)(i)(B).

4) Obligations of **LBL**

To the extent that your use or disclosure of PHI may be affected, **LBL** shall notify you of:

- a) Any limitation(s) in LBL's notice of privacy practices;
- b) Any changes in, or revocation of, permission by Individual to use or disclose PHI;
- c) Any restriction to the use or disclosure of PHI that **LBL** has agreed to.

- 5) Business Associate, in its performance of the functions, activities, services, and operations specified above, shall only use, disclose, and request the minimum amount of Covered Entities' PHI reasonable necessary to accomplish the intended purpose of the use, disclosure, or request. Business Associate and Covered Entities acknowledge that the phrase "minimum necessary" shall be interpreted in accordance with the HITECH Act and government guidance on the definition.
- 6) As of the effective date specified by any final regulations issued on the topic of remuneration in exchange for PHI, Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI of an individual unless the Covered Entities or Business Associate obtained from the individual, in accordance with 45 CFR Section 164.508, a valid authorization that includes a specification of whether the PHI can be further exchanged for remuneration by the entity receiving the PHI of that individual, except as otherwise allowed in the HITECH Act.
- 7) Notwithstanding any other provision in this Agreement, Business Associate shall comply with the Health Information Technology Act of 2009 Standards, as codified at 42 U.S.C.A. prec. § 17901 ("HITECH"), and any current and future regulations promulgated under HIPAA or HITECH.

8) Termination

- a) Termination for Cause. Upon **LBL's** knowledge of a material breach or violation of the requirements imposed by the Privacy or Security Rules by you, **LBL** may either:
 - i. Provide an opportunity for you to cure the breach or end the violation and terminate this Agreement if you do not cure the breach or end the violation within the time specified by **LBL**;
 - ii. Immediately terminate this Agreement if you have committed a material breach or violated the Privacy or Security Rules and cure is not possible; or
 - iii. If neither termination nor cure are feasible, **LBL** shall report the violation to the Secretary.
- b) Effect of Termination.
 - i. Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, you shall return or destroy all PHI received from **LBL**, or created or received by you on behalf of **LBL**. This provision shall apply to PHI that is in the possession of your employees, subcontractors, agents or associates. You shall retain no copies of the PHI.
 - ii. In the event that you determine that returning or destroying the PHI is infeasible, you shall provide to **LBL** notification of the conditions that make return or destruction infeasible. Upon written notice by you to **LBL** that return or destruction of PHI is infeasible, you shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as you maintain such PHI.

9) Indemnification.

You hereby agree to indemnify and hold **LBL**, its employees, officers and directors harmless from and against any and all liability, payment, loss, cost, expense (including reasonable attorneys' fees and costs), or penalty incurred by **LBL**, its employees, officers or directors in connection with any claim, suit, or action asserted against such entity or person resulting from the failure to fulfill any obligation of the Protected Health Information section of this Agreement by you or your employees, agents or subcontractors.

10) Safeguards

Business Associate shall use appropriate safeguards, including safeguards for the protection of electronic PHI, as provided in the Security Standards (45 C.F.R. Parts 160 and 104), to prevent use or disclosure of PHI in breach of this Agreement. Business Associate shall provide **LBL** with information concerning such safeguards upon **LBL's** request, and shall, upon reasonable request, give **LBL** access for inspection and copying to Business Associate's facilities used for the maintenance or processing of PHI, and to its books, records, practices, policies and procedures concerning the use and disclosure of PHI, for purpose of determining Business Associate's compliance with this Agreement. Business Associate shall supply all assistance reasonably necessary so that the **LBL's** auditors may complete any such inspection.

11) Injunction

You hereby agree that **LBL** will suffer irreparable damage upon your breach of your obligations under the privacy or security provisions of this Agreement, and that such damages shall be difficult to quantify. You hereby agree that **LBL** may file, and you will not contest, an action for an injunction to enforce such provisions against you, in addition to any other remedy **LBL** may have.

12) Survival

Your respective rights and obligations relating to the requirements of the privacy and security provisions of this Agreement and PHI shall survive the termination of this Agreement.

13) Interpretation

Any ambiguity in this Agreement shall be resolved to permit **LBL** to comply with the Privacy Rule, Security Rule or Standards for Electronic Transactions.

Lincoln Benefit Life Company, Lincoln, Nebraska

COMMISSION RULES

These Commission Rules are incorporated into and made a part of your agent agreement as of the effective date of the agreement or the effective date of these Rules, whichever is later. Subject to the terms and conditions of your agreement, you shall be compensated according to the following Commission Rules and the applicable Schedule of Commissions. The Commission Rules and the Schedule of Commissions are subject to change and may be revised from time to time by LBL. By submission of an application or the acceptance of commission, you agree to be bound by the provisions of these Rules. For agent agreements that contain a provision eliminating the commissions payable to a beneficiary or estate in certain instances, the "minimum required amount" of commissions referenced in the agreements is \$100.00.

PERMANENT LIFE

Note: "Target premium" means the amount up to which the maximum first year commission percentage applies.

- 1) All premiums paid into the policy will be credited to the first year target premium until the full first year target premium has been paid. Any excess first year premium and all renewal premium will be commissioned as stated in the Schedule of Commissions except as noted below.
- 2) New first year target premium commission will be payable if the base amount is increased, provided:
 - a. The increase in base amount does not replace a prior decrease
 - b. The addition of a rider does not replace a previously dropped rider
 - c. The increase in base amount is not due to change from death benefit option 2 to option 1; option 3 to option 1; or option 3 to option 2;
 - d. All pro rata minimum required premiums for the time up to the date of the increase have been paid; and
 - e. Premium paid at the time of the increase, or scheduled to be paid within 12 months of the date of the increase, is at least equal to the increase in target premium plus any remaining minimum premium for amounts in force on the date of the increase.
- 3) For all Universal Life products, only permanent substandard extra premiums will increase the target.
- 4) For any new target increase, commissions will be payable upon receipt of new additional premium into the policy. There will be no retroactive increases in commission on premiums previously credited with excess or renewal commissions.
- 5) For all products where the Full Surrender Charge Adjustment Rider has been selected, commissions will be paid according to the following:
 - a. Commissions, target and excess will be levelized and paid over the first 5 years of the policy, so long as the policy remains inforce. Commissions for year 1 will be divided by 5 and paid out over the first 5 years; commissions for year 2 will be divided by 4 and paid out over the remaining 4 years; commissions for year 3 will be divided by 3 and paid out over the remaining 3 years; commissions for year 4 will be divided by 2 and paid out over the remaining 2 years and commissions for year 5 will not be divided and will be paid out normally.
 - b. A 100% commission chargeback will apply upon lapse or surrender in the first 6 months; 50% commission chargeback will apply in months 7-12.
 - c. Commissions on new premiums associated with increases in face amount during the first 5 years will be levelized and paid in the same manner as described in 5)a. above.
 - d. In the event of an elective decrease in face amount during the first 5 years, the target premium will be recalculated as if the reduced face amount applied at issue. Commissions payable over the remainder of the 5 year period will be reduced by the amount actual commissions paid prior to the decrease exceed what would have been paid if the lower face amount applied at issue. If the amount of the reduction exceeds the remaining levelized commission payments, no further commission relating to the original first year premiums will be payable.
- 6) For any universal life insurance policy issued in California for which premiums will be totally or partially funded by a premium finance program or arrangement that is not approved in advance by LBL, all first year commissions will be paid at excess rates instead of target rates.

TERM LIFE

- 1) Prepaid renewal premiums will not be commissioned until they are applied to the contract.
- 2) Commissions will be paid on Waiver of Premium, Guaranteed Exchange Option, Accidental Death Benefit, Spouse and Child Riders at the same rate as provided for the policy to which the riders are attached.
- 3) Additional Insured Riders ("AIR's") with a face amount below \$500,000, added to a TrueTerm policy with a face amount above \$500,000.00, will be commissioned at the TrueTerm below \$500,000 rate.
- 4) If additional premium is charged because the risk is substandard and permanent, commissions will be paid on the additional premium at the same rate. If the classification is temporary, no first year commission will be paid on the additional premium. Renewal commission will be paid at the same rate as provided for the policy.
- 5) No commission will be payable on premiums which are paid by applying a premium exchange/conversion allowance. If the Term is exchanged for any term rider, no first year commissions will be paid.

ANNUITY COMMISSION RULES

The amount of commissions shown in the Schedule of Commissions for annuity contracts is applicable to contracts where the aggregate account value of all contracts with the same owner is \$1,000,000 or less. If the "owner" referenced in these rules is not a person, the rules then apply to the "annuitant".

- 1) Chargebacks
 - a. LBL will chargeback commissions under the rules set forth in the Schedule of Commissions attached to your contract.
 - b. With respect to chargebacks described in the Schedule of Commissions on surrenders, a proportionate chargeback would also be made on partial withdrawals.
 - c. In addition, any deferred annuity contract that is annuitized within the first contract year will receive a commission chargeback equivalent to the difference in commission between that product and the SPIA currently being sold (excluding the Allstate® Treasury-Linked Annuity).
 - d. The chargeback rules contained in the Schedule of Commissions also apply to any renewal commission as indicated within the Schedule.

2) Commissionable Premium

Commissionable Premium is defined as any annuity premium or pro rata Saver's Index Annuity I, Saver's Index Annuity II or Allstate Treasury Linked Annuity renewal amount on which commission is paid according to the Schedule of Commissions or Commission Rules, net of free looks and full or partial withdrawals made during a chargeback period

3) Commission Limits

Regular commissions will not be payable on any premium paid into one or more deferred annuities with the same owner, either at issue or over their lifetime, which exceed the limits of \$1,000,000.

4) Modified Compensation (ACP)

If premiums in excess of the commission limits described above are paid at issue or over their lifetime, for ages 76 and above, commissions will be payable on a modified basis. The "age" applies to the oldest owner's age unless the owner is not a person, in which case the oldest annuitant's age will be used. Commission in excess of the commission limits will be spread out over a seven-year period on all plans on the premium in excess of the limits. The annual commission received on this basis will be one-sixth of the usual commission. These payments will stop upon the seventh annual payment for all annuities or the termination of the contract, if sooner.

Additional policies and supplements, which may be developed by LBL from time to time, may be added to the Commission Rules and Schedule of Commissions by addendum and shall be subject to the same conditions as set forth herein.

REPLACEMENT RULES

These Replacement Rules address (1) whether any surrender/withdrawal charge may be assessed to the policyholder; and (2) whether any commissions may be paid on the new policy. In any situation where a surrender/withdrawal charge is assessed to perform the replacement, a disclosure statement must be signed by the policyholder acknowledging their understanding and agreement. This signed disclosure statement must be received by the Home Office prior to execution of the internal replacement. These Replacement Rules may be changed from time to time. Circumstances which may cause them to be changed include, but are not limited to, the following: (a) changes which may benefit the policyholder (as determined by LBL); (b) introduction of new products; and (c) changes in the then-current interest rate environment. Such changes will not discriminate between individuals or classes of policyholders. Please note that if it is necessary for any surrender/withdrawal charge to be assessed, (1) no new commissions will be paid, and (2) a disclosure statement must be signed by the policyholder.

Annuities

These rules apply where a deferred fixed annuity is exchanged for a new deferred or immediate annuity. Except for states where it is not approved, the withdrawal charge on the original contract may be reduced by the amount of commission that would have been payable on the new contract, but will never be less than zero. If the withdrawal charge exceeds the commission otherwise payable, the contract owner will be obligated to pay any such excess amount. Commissions on the new contract will be reduced by the amount of any waived withdrawal charge. This general rule has the following exceptions:

- 1) Replacements from annuities involving a first year interest rate bonus. Where the contract owner has received a first year interest rate bonus, an additional amount will be added to the withdrawal charge in applying the General Rule calculation described above. The additional amount equals a percentage of the bonus interest rate, where the percentage depends on the number of completed contract years, as follows:

Completed Contract Years	Percent Of Bonus
0	100
1	80
2	60
3	40
4	20
5+	0

For example, if the plan had a 1% bonus and the contract was still in its first year, the entire 1% would be added to the withdrawal charge. If the plan had completed its second year, 0.6% (60% x 1%) would be added to the withdrawal charge. Saver's Choice Plus, SureHorizonSM II and SureHorizonSM Choice will use the Return of Principal Guarantee bonus amount in this calculation even if the contract does not have the Return of Principal Rider. Any such increase in withdrawal charge is only for purposes of determining the amount of withdrawal charge to be waived, and that in all cases any charge actually incurred by the contract holder will not be greater than the withdrawal charge stated in the contract.

- 2) Commission will not be paid for any contract replaced by the same type of contract. This applies to any full or partial internal exchange whether inside or outside the withdrawal charge period, within the free withdrawal window or utilizing the free withdrawal amount. Examples include but are not limited to:
 - 10% free amount from the Tactician Plus (any guarantee period) to a new Tactician Plus (any guarantee period)
 - The proceeds of a Tactician Plus in or outside the window period (any guarantee period) to a new Tactician Plus (any guarantee period)
 - The proceeds of a Saver's Index Annuity III to a new Saver's Index Annuity III.

Life Products

- 1) Universal Life to Universal Life (or Variable Universal Life)
So long as the surrender charge on the old policy is less than or equal to the surrender charge on the new policy, no surrender charge will be assessed to the policyholder. Any excess of the surrender charge on the old policy over the new surrender charge will be charged to the policyholder.

Commissions, if any, will only be paid on new premiums paid into the policy. Commissions at the first year rate will be paid based on any increase in target premium for the new policy over the original target premium. If the new target premium is less than or equal to the original target premium, no first year compensation applies. This general rule has the following exceptions:

- a) Replacements from Estate Executor. These replacements are unique due to the front-end load. Surrender charges will be assessed on the full front-end charge. First year commissions will only be paid on any increase in target premium on the new plan over the old plan.

- b) Replacements from a product without a stated Commissionable Target Premium (ex. GenBuilder). Commissions, if any, will only be paid on new premiums paid into the policy. Commissions at the first year rate will be paid based on any excess of the target premium for the new policy over 5% of premium paid in the first year of the old policy
 - c) Replacements to a product without a stated Commissionable Target Premium. Commissions, if any, will only be paid on new premiums paid into the policy and will be payable at the first year rate.
- 2) Term to Term Replacements
The following commission rules will apply to the replacement of an existing LBL term policy with a new term policy:
- a) If the existing term plan is over five years old, full normal commission will apply to the new policy.
 - b) If the existing term plan is less than five years old and the new policy has a higher annual premium than the old policy, commission will only be paid on the excess of the new annual premium over the first year collected premium for the old policy.
 - c) If the existing policy is less than five years old and the new policy has an annual premium less than or equal to the former annual premium, no commission will be paid on the new policy.
- 3) Term Conversions
If a Term plan is exchanged for a universal life or whole life policy within the first ten years, full first year commissions will be paid on the premium actually paid by the policy owner up to the target premium reduced by the conversion allowance, if any. If the exchange occurs more than ten years after issue, all premiums for the new policy will be commissioned at the excess rate.
- 4) Universal Life to Term
These situations will be treated as surrenders.

SCHEDULE OF COMMISSIONS

Subject to the terms and conditions of your agreement, you shall be compensated according to the following schedule of the policy forms shown. The payment of commissions is subject to the rules and practices of LBL. The commissions provided in the schedule shall be reduced by the amount of commissions payable to subagents assigned to you. By submission of an application or the acceptance of commission, you agree to be bound by the provisions of this schedule. Commissions are also subject to the Commission Rules that are part of your agreement with LBL.

Please contact the Home Office prior to solicitation to determine if these products are approved in the state where the application will be taken.

Life Policies		Premium Payments					
Policy Name	Policy #	Commission 1 st Year		Commission 1 st Year Excess %	Renewal	Premium Based	Accum. Value Trail Yr. 2-10 %
		Min. Target	Premium %		Commission Yr. 2-10 %	Service Fee Yr. 11-20 %	
Ultra Index	UL0730	80		2.5	2	0	n/a
Ultra Plus	UL0700	80		2.5	2	0	n/a
Legacy Choice II	UL1020	80		.5	2	0	n/a
Legacy Secure SL	UL0760	80		2.5	2	0	n/a
Legacy Secure II	UL0610	80		2.5	2	0	n/a
Echelon Index UL (a)	UL0820						
Issue Age							
Tier A 18-65		5		n/a	5	n/a	.15
66-70		4.7		n/a	4.7	n/a	.15
71+		4.4		n/a	4.4	n/a	.15
Tier B 18-65		3		n/a	3	n/a	.15
66-70		2.7		n/a	2.7	n/a	.15
71+		2.4		n/a	2.4	n/a	.15
Tier C 18-65		2		n/a	2	n/a	.15
66-70		1.75		n/a	1.75	n/a	.15
71+		1.5		n/a	1.5	n/a	.15
TrueTerm 2009 (c)	LP0600						
10 Year Below 500K		85		n/a	0	0	n/a
15 Year Below 500K		95		n/a	0	0	n/a
20 & 30 Year Below 500K		100		n/a	0	0	n/a
10 Year 500K and Above		75		n/a	0	0	n/a
15 Year 500K and Above		85		n/a	0	0	n/a
20 & 30 year 500K and Above		90		n/a	0	0	n/a
Whole Life II	LP0720	70		n/a	1.5	0	n/a

Additional Notes

- (a) For the Echelon Index UL, all premium received during the first 10 policy years receives commissions at the same rate as indicated. The Accumulated Value Trail commission will be paid quarterly at a rate of .0375% of the policy value, net of outstanding loans, for all contracts at least 15 months old in policy years 2 through 10.
- (b) The policy fee for **TrueTerm** is NOT commissionable.

LIFE CHARGEBACK RULES

The entire commission will be charged back if the owner free looks the policy or the policy is treated as being free looked at any time. In addition:

Echelon Index UL --

- 100% chargeback if the policy is surrendered or lapses in the first 12 months.
- 75% chargeback if the policy is surrendered or lapses in months 13-24.
- 50% chargeback if the policy is surrendered or lapses in months 25-36.
- 25% chargeback if the policy is surrendered or lapses in months 37-48.

Annuity Contracts (a) (d) (h)			Premium Payments
Contract Name	Contract #	Group Certificate #	Commission %
IncomeReady SPIA	AP-0812		3
Life Contingency or Period Certain – Payments of 10 Years or Greater			2
Period Certain – Payments Less than 10 Years			
Tactician Plus (e) (f)**	AP-9880	GAP-9880	Guarantee Periods 5, 6, 7, 8, 9 and 10
Owner's Attained Age			2
0-75			1.5
76-85			1
86-90			

Contract Name	Contract #	Group Certificate #	Commission % Contract Year	Annuitization Trail	Accumulated Value Trail	Enhanced Lifetime Income Rider Accumulated Value Trail Years 11+
Savers Index® Annuity Premier (b) (c) (g)	AP-0540	GAP-0540	1			
Owner's Attained Age						
Option A 0-75			3.45	.25	n/a	.25
76-85			2.40	.25	n/a	.25
Option B 0-75			1.95	.25	.30	.25
76-85			1.35	.25	.30	.25

Contract Name	Contract #	Group Certificate #	Commission % – Contract Year										Annuitization Trail	Accumulated Value Trail
			1	2	3	4	5	6	7	8	9	10		
Saver's Index® Annuity III(b)(c)**	AP-9750	GAP-9750	1	2	3	4	5	6	7	8	9	10		
Owner's Attained Age														
Option A 0-75			3.45	3.1	2.75	2.41	2.06	1.72	1.38	1.03	.69	.34	.25	n/a
76-90			2.40	2.17	1.93	1.69	1.44	1.2	.97	.72	.48	.24	.25	n/a
Option B 0-75			1.95	1.6	1.25	.91	.56	.22	0	0	0	0	.25	.30
76-90			1.35	1.12	.88	.64	.39	.15	0	0	0	0	.25	.30

** Commission rates shown on this Schedule of Commissions for any Saver's Index® Annuity III issued on or after 12/2/2002 or Tactician Plus issued on or after 3/1/2006 will not be vested under the terms of your contract. The commission rates for these annuity contracts may be changed at any time for additional deposits/premiums. In no event, however, will LBL retroactively change the rates that would impact commissions already earned on these contracts.

Additional Notes

Commissions for fixed annuities will be paid according to the schedule above based upon the oldest owner's attained age or, if the owner is not a natural person, the age of the oldest annuitant.

- (a) A renewal commission will be paid after the conclusion of the 45-day window period. The window period occurs at the beginning of each succeeding seven-year term. Commission is paid on the accumulated value as of the beginning of the window period, less any withdrawals made or deemed to occur, during the window period. For any Savers Index Annuity I issued prior to 7/15/2003, renewal commissions will be paid at the first year commission rate in effect at the time the contract was issued. For any Saver's Index Annuity I issued on or after 7/15/2003, commissions paid on successive term renewals are not vested under the terms of your contract and may be changed at any time. The current renewal rates for contracts issued on or after 7/15/2003 are shown below:

<u>Annuitant's Attained Age</u>	<u>0 - 75</u>	<u>76 - 78</u>	<u>79</u>	<u>80</u>	<u>81</u>	<u>82</u>	<u>83</u>	<u>84</u>
	3.45	2.4	2.07	1.73	1.38	1.04	0.69	0.35

- (b) Accumulated value trail commission will be paid quarterly using the annual rate shown on this schedule divided by four (4). The trail will be paid on contract value for contracts that are at least 15 months old and will end when the contract is annuitized.
- (c) Annuitization trail commissions, during the annuitization phase, will begin paying after the withdrawal charge period expires on the contract, if commission Option A is selected or required. If commission Option B is available and selected, the annuitization trails will begin paying in the second year of the annuitization phase. Trail commissions are based on the hypothetical commuted value (present value of the remaining annuity payments) of the annuitized plan selected. Trail commissions will be payable on the same frequency as the annuity payments selected by the Contract Owner (i.e. Contract month, Contract quarter, etc.) at a rate of 25 basis points per year.
- (d) For any Allstate Treasury Linked Annuity issued prior to 8/4/2003 commissions will be paid on additional premium contributions at the first year commission rate in effect at the time the contract was issued. For any Allstate Treasury Linked Annuity issued on or after 8/4/2003, commissions are not vested under the terms of your contract and may be changed at any time. The current rate of commissions paid on additional premium contributions for contracts issued on or after 8/4/2003 are shown below. For any Allstate Treasury Linked Annuity, renewal commission will be paid no sooner than 10 days after the conclusion of the Window Period at a rate of 50% of the rates shown below. The Window Period only occurs after the first Guarantee Period of each Sub-Account expires. Commission is paid on the Sub-Account Value as of the beginning of the

Window Period, less any withdrawals made, or deemed to occur, during the Window Period. Renewal commissions on the Allstate Treasury Linked Annuity are not vested under the terms of your contract and may be changed at any time.

<u>Owner's Attained Age</u>	<u>0 – 80</u>	<u>81-85</u>	<u>86-90</u>
	3	2.4	1.5

- (e) For Tactician Plus no new commissions are paid on renewals in subsequent guarantee periods except for renewals from the 1-year guarantee period to the 1-year guarantee period, which pay a level percentage on each renewal into the 1-year guarantee period.
- (f) No commission will be paid upon the annuitization of an existing deferred annuity not paying an annuitization trail.
- (g) Accumulated Value Trail commissions for the Enhanced Lifetime Income Rider will be paid quarterly, beginning after the withdrawal charge period ends, using the annual rate shown on the schedule divided by four (4). Accumulated Value Trail commissions for the Enhanced Lifetime Income Rider will cease if the rider is removed from the annuity contract for any reason.
- (h) For any SureHorizon II, commissions on additional premium contributions are not vested under the terms of your contract and may be changed at any time. The current rates are shown below:

<u>Contract Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7+</u>
Owner's Attained Age							
Option A 0-75	4.75	4	3.15	2.35	1.55	.75	0
76-85	3.563	3	2.363	1.763	1.163	.563	0
86-90	2.375	2	1.575	1.175	.775	.375	0
Option B 0-75	2.25	1.25	.15	0	0	0	0
76-85	1.688	.938	.113	0	0	0	0
86-90	1.125	.625	.075	0	0	0	0

ANNUITY CHARGEBACK RULES

The entire commission will be charged back if the owner free looks the contract or the contract is treated as being free looked at any time. Chargeback rules continue to apply to the contract after a spousal continuation. In addition:

Saver's Index® Annuity Plus and Saver's Index® Annuity Premier –

- 100% chargeback will apply to any partial or full withdrawal in excess of the free amount that occurs within the first 12 months after the issue date.

IncomeReady SPIA –

- 100% chargeback will apply to any partial or full withdrawal that occurs within the first 12 months after the issue date.

Saver's Index® Annuity I, Saver's Index® Annuity III, and Tactician Plus –

- 100% chargeback will apply to any partial or full withdrawal (including any free withdrawal amount) that occurs within the first 6 months after any new premium payment or the payment of any Saver's Index Annuity I renewal commission.
- 50% chargeback will apply to any partial or full withdrawal (including any free withdrawal amount) that occurs within 7-12 months after any new premium payment or the payment of any Saver's Index Annuity I renewal commission.

Allstate® Treasury-Linked Annuity and SureHorizonSM II –

- A 100% chargeback will apply to any partial or full withdrawal in excess of the free amount that occurs within the first 12 months after each premium payment or the payment of an Allstate Treasury Linked Annuity renewal commission.

Return of Purchase Payment Rider or Return of Premium Rider (ROP Rider) Chargebacks

If an ROP Rider is elected at issue for a Saver's Index Annuity I, Saver's Index Annuity III or Saver's Index Annuity Plus contract then:

- 100% chargeback will apply to any partial or full withdrawal in excess of the free amount that occurs within the first 24 months after the issue date or each premium payment.
- For Saver's Index Annuity III contracts an additional 50% chargeback will apply to any partial or full withdrawal in excess of the free amount that occurs within 25-48 months after each premium payment.

Note: The "free withdrawal amount" or "free amount" referenced in the chargeback rules does not include any partial or full withdrawals where withdrawal charges are waived or are not applicable under the terms of a rider or contract provision including, but not limited to: waiver of charges due to confinement to a nursing home; diagnosis of a terminal illness; unemployment; inability to perform certain Activities of Daily Living; utilization of the ROP Rider or similar contract provision; or use of the spousal withdrawal provision by a surviving spouse. Partial or full withdrawals of amounts under such rider or contract provisions are subject to general chargeback rules for the relevant products. Commissions paid using the Annual Commission Payment (ACP) method are reduced pro rata for any withdrawal made under such rider or contract provisions.