

American General Life Companies

Member companies of American International Group, Inc.

Please return the completed kit to:

**Hildebrand Insurance Services
P.O. Box 1036, Parkersburg WV, 26102**

Please identify a contact person in your office who can promptly address our inquiries should there be any questions related to your appointment application:

Name:

Telephone No.:

E-mail Address:

Required Submissions

- Completed Appointment Application
- Completed Contract
- Signed Commission Schedule **
- Completed Hierarchy Structure
- Copy of Resident State License

Optional Submissions

- Copy of Nonresident State License(s)
- Nonresident State Appointment Fee(s)
- Annualization Agreement **
- Assignment of Commissions

** Only submit if the agent plans to sell any of the following Worksite products: Universal Life, Level Term Life, Return of Premium Term Life, Critical Illness, Accident, Cancer, Hospital Indemnity, Disability Income.

III. Confidential History

Instructions – Please check the appropriate box. If yes, provide explanation below. Answers are verified by a background investigation and/or credit report.	Producer	
	Yes	No
1. Have you ever been convicted of or plead guilty or no contest to a felony?	<input type="checkbox"/>	<input type="checkbox"/>
2. Have you ever been convicted of or plead guilty or no contest to a misdemeanor?	<input type="checkbox"/>	<input type="checkbox"/>
3. Are you currently under investigation by any legal or regulatory authority?	<input type="checkbox"/>	<input type="checkbox"/>
4. Do you now owe money to any insurance company?	<input type="checkbox"/>	<input type="checkbox"/>
5. Have you or a firm in which you were a partner, officer or director been declared bankrupt or been party to a bankruptcy or receivership proceeding?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you had a salary garnished or had liens or judgements against you?	<input type="checkbox"/>	<input type="checkbox"/>
7. Has any insurance department, government agency or self-regulatory authority ever denied, suspended, revoked, censured or barred your license or registration or disciplined you with fines or by restricting your activity?	<input type="checkbox"/>	<input type="checkbox"/>
8. Have you ever been the subject of a consumer-initiated complaint?	<input type="checkbox"/>	<input type="checkbox"/>
9. Have you ever been the subject of a proceeding by any self-regulatory body or any securities, commodities or insurance regulatory body or organization?	<input type="checkbox"/>	<input type="checkbox"/>
10. Has a bonding company ever denied, paid out on or revoked a bond for you?	<input type="checkbox"/>	<input type="checkbox"/>
11. Have you ever had a claim filed against your professional liability or Errors and Omissions insurance coverage?	<input type="checkbox"/>	<input type="checkbox"/>
12. Has any insurance company or securities broker-dealer terminated your contract or permitted you to resign for a reason other than lack of sales?	<input type="checkbox"/>	<input type="checkbox"/>
13. Have any of the American General Affiliates, as identified on page 2 of this application, ever declined to appoint you, refused to contract you or terminated your contract?	<input type="checkbox"/>	<input type="checkbox"/>

For any questions answered "Yes", please provide date of occurrence, explanation, resolution and applicable court documents. *Insufficient information will result in processing delays. If necessary, use additional sheet.*

IV. License Appointment Information

Producer

Please indicate the desired company(ies) of appointment. See pages 7 – 8 for a listing of products and applicable companies:

- The United States Life Insurance Company in the City of New York
- American General Life Insurance Company
- AIG Life Insurance Company
- American International Life Assurance Company of New York

Resident State Appointment

- Resident State: _____
- Attach copy of current Resident State License

Non-Resident State Appointment(s)

Do you wish to be appointed in any non-resident states? Yes No

If yes,

- Identify states: _____
- Attach copy of each state license

Attach applicable non-resident appointment fee. Contact AIG Licensing 1-877-672-1648, press options 4, 5 and 3 for a listing of non-resident fees.

V. Producer Authorization

Producer

Social Security Number _____

I have read and received, as of the date indicated below, the notice concerning investigative consumer reports, as required by law. I understand that by signing this form, **I authorize the American General Affiliates** with which I have requested appointments with **to investigate my background, including my credit history and interviews with former employers.** I agree that if any of my answers to the questions in the section, **Confidential Information**, change, I will notify in writing the Licensing and Contracting Department at the address noted on the last page of this application within 10 business days of the incident that would cause an answer to change. **I understand that falsification of information or failure to update the answers on this application may result in termination of appointment(s) with all American General Affiliates.** In addition, I authorize the American General Affiliates that have appointed me to report information about earning and debit balances to any credit bureau or similar organization.

I authorize American General Affiliates to share background, licensing, applicant data and other information that they have about me.

By signing the Part 5 Producer authorization, I certify that my E & O policy extends coverage to the person or entity requesting contracting and appointment. I agree to provide a copy of the E & O policy, if requested. Further, I understand that I am responsible for maintaining at least \$ 1 million per act of Errors and Omissions coverage without interruption while my American General Life or affiliated company contract is active.

I acknowledge that I have reviewed the "Customer Service and Compliance Manual for Producers and Employees for the American General Life Companies" and / or "Operations Manual for American General Annuity Insurance Company" and I agree to abide by those principles, as amended from time to time, in representing any of the American General Affiliates that appoint me.

Under penalties of perjury, I certify: that the number shown on this application is my correct Social Security or Tax Identification number; and I am not subject to backup withholding under Section 3406(a)(1)(C) of the Internal Revenue Code. The Internal Revenue Service does not require my consent to any provision of this document other than the certification required to avoid backup withholding.

Producer Signature

Date

VI. Appointment Form – Producer

Attention Producer: Please retain a copy of this page for your records.

Fair Credit Reporting Act – Notice of Proposed Investigative Consumer Report

Pursuant to the Fair Credit Reporting Act, this notice is to inform you that as a component of our contracting and appointing process, each company with which you have requested an appointment may request an investigative consumer report that may include information related to your character, general reputation, personal characteristics and mode of living.

You have a right to request in writing, within a reasonable period of time after receipt of this notice, a complete and accurate disclosure of the nature and scope of the investigation requested and a written summary of your rights under the Fair Credit Reporting Act. Such a request should be sent to:

AIG American General
Attn: Licensing and Contracting Department, MS 3Z
3600 Rte 66
Neptune, NJ 07753
Toll Free Phone: 1-877-672-1648, press options 4, 5 and 3
Fax: 732-922-5587

This department will handle inquires on behalf of all American General Affiliates. Disclosed information must be provided in writing and mailed to you, along with the written summary of your rights, within five (5) business days after receipt of your written request.

Also each company with which you have requested an appointment may share the information contained in the investigative consumer report and other information in your file with its affiliates, unless you send a written request to the above described address directing that this information not be disclosed or shared with an affiliate.

CALIFORNIA CIVIL CODE SECTION 1786 INVESTIGATIVE CONSUMER REPORTING AGENCIES ACT

The above Fair Credit Reporting Act – Notice of Proposed Investigative Consumer Report is amended to add the following:

Pursuant to the California Investigative Consumer Reporting Agencies Act, this notice is to inform you that as a component of our contracting and appointing process in the State of California an investigative consumer report, which may include information related to your character, general reputation, personal characteristics, and mode of living, will be requested from the following consumer reporting agency:

Professional Resource Screening, Inc.
2400 Bisso Lane
Suite 100
Concord, CA 94520
800-232-0247

California residents: A copy of the consumer report will be provided to you within three (3) days after our receipt of the report.

Product Lines	Employer-Funded	Employee-Paid	Underwriting Company
Protection Solutions			
AIG Estate Master Select SM Universal Life Insurance		√	<ul style="list-style-type: none"> American General Life Insurance Company The United States Life Insurance Company in the City of New York (for NY appointments only)
AIG Term MVP TM Insurance		√	American General Life Insurance Company
AIG ROPTerm MVP TM Insurance		√	American General Life Insurance Company
AIG Group Term Life Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
AIG Group Supplemental Life Insurance		√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
AIG Group AD&D Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
Supplemental Medical Solutions			
AIG CancerCare [®] Insurance		√	American General Life Insurance Company
AIG Group CancerCare SM Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
AIG CriticalCare [®] Insurance		√	American General Life Insurance Company
AIG Group CriticalCare SM Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
AIG EmergencyCare [®] Insurance		√	American General Life Insurance Company
AIG Group Emergency Care SM Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)
AIG Group HospitalCare SM Insurance	√	√	<ul style="list-style-type: none"> AIG Life Insurance Company American International Life Assurance Company of New York (for NY appointments only)

Product Lines	Employer-Funded	Employee-Paid	Underwriting Company
Income Replacement Solutions			
AIG DisabilityCare™ Insurance		√	American General Life Insurance Company
AIG Group Short-term Disability Insurance, including FMLA	√	√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only)
AIG Group Long-Term Disability Insurance, including FMLA	√	√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only)
AIG Group DisabilityCare SM Insurance, including FMLA (STD and LTD)		√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only)
State-Mandated Disability Insurance Plans (NY)		√	<ul style="list-style-type: none"> • The United States Life Insurance Company in the City of New York
Ancillary Healthcare Solutions			
AIG Group PPO Dental Insurance	√	√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only) • The United States Life Insurance Company in the City of New York (for NJ appointments only)
AIG Group Indemnity Dental Insurance	√	√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only)
The TruDent Dental Plan (New Jersey)	√	√	<ul style="list-style-type: none"> • The United States Life Insurance Company in the City of New York
AIG Group Discount Dental SM Program	√	√	<ul style="list-style-type: none"> • NA
AIG Group Vision Insurance	√	√	<ul style="list-style-type: none"> • AIG Life Insurance Company • American International Life Assurance Company of New York (for NY appointments only)
Services and Non-insurance Solutions			
Work & Family Benefits, Inc. Values Package®	√		NA

Producer

AGREEMENT



Products underwritten by:

AIG Life Insurance Company*

Wilmington, DE

**American International Life Assurance
Company of New York**

New York, NY

American General Assurance Company*

Schaumburg, IL

American General Life Insurance Company*

Houston, Texas

**The United States Life Insurance Company
in the City of New York**

New York, NY

Member companies of American International Group, Inc.

www.aigeb.com

The underwriting risks, financial obligations and support functions associated with the products issued by the above listed companies are the responsibility of each individual company. Each of the above listed companies is responsible for its own individual financial condition and contractual obligations.

*AIG Life Insurance Company, American General Life Insurance Company and American General Assurance Company do not solicit business in the state of New York.

© 2006 American International Group, Inc. All rights reserved.

Producer Contract
("Contract")

between

AIG Life Insurance Company
and each Affiliated Insurer made a party to this Contract

and

Legal Name of Entity, or if Individual, Last Name First Name Middle Initial

Producer: Individual Corporation or other legal entity

If Producer is a corporation or other legal entity, its full legal name must appear above and an authorized corporate officer must sign and indicate the officer's title below.

Individual – Social Security Number:	Corporation – Tax Identification Number:
--------------------------------------	--

_____ Title: _____
Officer or Producer's Signature

AIG LIFE INSURANCE COMPANY

By: _____ Title: _____

TO BE COMPLETED BY AIG LIFE INSURANCE COMPANY:
Contract Date: _____

1. DEFINITIONS

For purposes of this Contract, the following terms and phrases will have the respective meanings assigned to them in this Section 1:

- a. "Affiliated Insurer" means each insurance company subsidiary of American International Group, Inc., other than the Primary Company, which: (i) appoints Producer to transact business with such Affiliated Insurer, and (ii) is made a party to this Contract as reflected by the addition of one or more compensation schedules to this Contract.
- b. "Company" refers, jointly and severally, to the Primary Company and each Affiliated Insurer.
- c. "Company Rules and Procedures" means Company's current rules, procedures, methods, practices, requirements, and standards, as reflected in Company's Compliance Manual and guidelines and all other written publications, bulletins, directives, and instructions issued by Company and reasonably communicated to Producer, as each of the same may from time to time be revised or changed by Company in its sole discretion.
- d. "Law" whether singular or plural, means all applicable statutes, rules, ordinances or regulations (including codes, plans, judgments, injunctions, administrative interpretations or orders thereunder, or charges, judgments, orders, decrees, rulings, or other restrictions) of any federal, state, local, or foreign government or any department, division, agency or instrumentality thereof.
- e. "Primary Company" means the insurance company identified on the first page of this Contract. Primary Company executes this Contract on its own behalf, and on behalf of each Affiliated Insurer.
- f. "Products" means the life, health and accident policies, annuity contracts and other insurance products issued by Company and reflected on one or more compensation schedules to this Contract. The term "product" (not capitalized), means any and all life, health and accident policies, annuity contracts and other insurance products issued by Company, whether or not reflected on a compensation schedule to this Contract. The products of Primary Company and each Affiliated Insurer are separately underwritten and independently supported by each respective insurer.
- g. "Subagent" means each agent and solicitor contracted under or otherwise assigned to Producer, as reflected in Company's records. Each Subagent must be appropriately licensed, and contracted and appointed with Company, as provided in this Contract.

2. PURPOSE OF CONTRACT

Producer desires to enter into an agency relationship with Company for the purpose of selling Company's Products. Producer is responsible for producing quality business for Company. In return for performance of such activity by Producer, Producer will be paid the compensation set forth in the compensation schedules to this Contract, subject to the terms and conditions of this Contract.

3. EFFECTIVE DATE

This Contract is dated effective (the "Effective Date") as of the later of (a) the Contract Date indicated on the first page of this Contract, or (b) the date Producer is appropriately contracted and appointed with Company in accordance with applicable Law. This Contract applies to all Products written by Producer on or after the Effective Date.

4. APPOINTMENT AND AUTHORITY OF PRODUCER

Company hereby contracts with and appoints Producer, and Producer agrees to perform the following:

- a. **Solicit Applications for Products.** Solicit and procure applications for Products. No solicitation is permitted by Producer unless Producer is appropriately licensed, and Producer has been contracted and appointed with Company in accordance with applicable Laws and Company Rules and Procedures.
- b. **Service Issued Products.** Service customers, endeavor to maintain in-force all issued Products, and perform such other duties to aid the purposes of this Contract, as requested by Company, and in accordance with Company Rules and Procedures.

5. LIMITATIONS AND PROHIBITIONS

Producer is authorized to act on behalf of Company only to the extent expressly provided in this Contract. Producer has no authority to take any action that is adverse to the interests of Company or its affiliates or customers, or that is contrary to applicable Law or Company Rules and Procedures. Producer further agrees as follows:

- a. **Licensing.** Producer shall conduct business only in those states, territories and jurisdictions in which Producer is licensed by the appropriate regulatory authorities, and appointed with Company in accordance with applicable Law. Producer agrees to immediately notify Company in the event any insurance license of Producer is terminated or not renewed for any reason.
- b. **Territory.** Producer shall solicit applications for Products only in states, territories and jurisdictions in which Company is admitted to do business and only for those Products offered by Company in each such state, or territory or jurisdiction. The right to solicit in these states, territories and jurisdiction shall be nonexclusive.
- c. **Advertising.** Producer may not issue, print, or circulate any advertisement, sales material or other communication concerning Company or Company products without first obtaining the prior written approval of Company. Producer is not permitted to use any advertisements or sales materials previously created by Company that have been replaced, updated or discontinued.
- d. **Use of AIG and American General Names and Logo.** The name "AIG American General" is a registered service mark of American International Group, Inc. ("AIG"). Producer is authorized to use the AIG American General Logo and other related "AIG, or AIG American General terms, names and/or company names" only in connection with Producer's solicitation, sale and servicing of Company products and only after having obtained prior written approval from Company for each such use. The phrase "AIG, or AIG American General terms, names, and/or company names" refers to company, marketing, and product names and/or other symbols or logos, that contain the term "AIG", "AIG American General" or "American General", as well as those AIG and AIG affiliate's names, symbols or logos that do not contain the words "AIG", "AIG American General" or "American General". Producer's authority to use the AIG American General logo and the other related AIG, or AIG American General terms, names and/or company names shall automatically terminate upon termination of this Contract. Business cards, stationery and any other materials using company names, symbols or logos where multiple copies may have been printed or reproduced must be destroyed when this Contract terminates.
- e. **Policy Delivery and Coverage.** Producer shall not: (i) deliver or cause to be delivered any issued Product unless the applicant is in good health and insurable at the time of delivery of such Product in accordance with Company Rules and Procedures; or (ii) accept risks, pass upon insurability, or bind Company in any way.
- f. **Rebating.** Producer shall not, directly or indirectly, provide as an inducement to any person to purchase a policy or contract, any rebate of premium or any inducement not specified in the policy or contract.

- g. Communications to Clients.** Producer shall not: (i) make any misrepresentation, incomplete comparison or unsuitable recommendation in order to induce a policy or contract owner of Company or of any other company to convert, lapse, forfeit, or replace such policy or contract owner's insurance; (ii) guarantee dividends or interest rates; (iii) alter or waive the terms of any Products; or (iv) extend the time of paying any premium.
- h. Funds.** Producer shall not: (i) collect or give any receipt for deferred or renewal premiums or any other payments; (ii) deposit any cash or negotiable instruments representing payment of any premium, including the first; or (iii) withhold, commingle or convert to the use of Producer or to the benefit of others, any monies, securities, policies or receipts belonging to Company, the applicant, policy or contract owner, or the insured.
- i. Status.** Producer shall not represent that Producer is an employee, partner, franchisee or joint venture partner of Company.
- j. Fair Competition and Political Activity.** Producer shall not: (i) make disparaging oral or written remarks about competitors or dissuade a consumer from doing business with a competitor; or (ii) appear to represent, and must avoid the appearance of representing, personal political activity as activity on behalf of Company.
- k. Agreements.** Producer shall not: (i) contract or incur any debt, obligation or other liability in the name or on behalf of Company; or (ii) enter into agreements involving the splitting or sharing of commission or other compensation with persons who are not licensed, contracted and appointed with Company.
- l. Practice.** Producer shall not introduce, amend or terminate any Company Rules and Procedures, without Company's prior written consent.
- m. Proceedings.** Producer shall not institute legal proceedings arising out of transactions which, directly or indirectly, relate to Company or Company's business on behalf of Company.
- n. Assignment.** Producer may not assign this Contract or any duties hereunder to any third party. No commissions or other compensation payable by Company to Producer may be assigned without the advance written consent of Company. All assignments of compensation approved by Company shall be subject to debits and offsets by Company for any indebtedness owed by Producer to Company as provided under this Contract. Company will not be responsible for any consequences, including tax consequences, of any assignment.

6. RELATIONSHIP

- a.** The relationship between Company and Producer shall be that of principal and independent contractor. Nothing contained herein shall be construed as creating the relationship of partnership, joint venture, franchise, or employer and employee for any purpose, including tax purposes. Producer agrees to be responsible for all taxes as a self-employed independent contractor.
- b.** Producer's individual contractual relationships with other persons shall have no bearing on Company's right to enter into contractual relationships with the same or any other persons.
- c.** If Producer is a corporation or other legal entity, the corporation or legal entity shall designate an authorized officer of the corporation or legal entity to act on behalf of the Producer.
- d.** Producer shall be free to exercise independent judgment to determine the time and manner in which Producer shall perform the activities authorized under this Contract, subject to applicable Law and Company Rules and Procedures.

7. PRODUCER RESPONSIBILITIES

- a. **Compliance with Laws.** Producer agrees to keep informed of and to comply with the Laws of each state, territory and jurisdiction where Producer conducts business.
- b. **Company Rules and Procedures.** Producer agrees to comply with Company Rules and Procedures and any system of review and control of Producer's activities relative to this Contract, including, any method of sanctions as may be used by Company. Adherence to Company Rules and Procedures will not negate the intent of Section 6. of this Contract.
- c. **Insurance.** Producer agrees to maintain errors and omissions insurance covering the acts and omissions of Producer in connection with Producer's performance of this Contract and its representation of Company. Such coverage shall be with a carrier and for amounts and deductibles acceptable to Company. Producer must provide evidence of such coverage satisfactory to Company prior to the execution of this Contract by Producer, and thereafter, upon the request of Company. Failure to provide satisfactory evidence of the required insurance coverage will result in action by Company, including, but not limited to, a hold on compensation due Producer, which compensation will be released only when Company receives acceptable evidence of insurance coverage, or the immediate termination of this Contract by Company.
- d. **Product Familiarity.** Producer agrees to become fully informed as to the provisions and benefits of each Product offered by Company for which Producer solicits applications and to represent such Products accurately and fairly to prospective purchasers of Products.
- e. **Confidential Information and Privacy Obligations.**
 - (i) Producer agrees to use Confidential Information (defined below) solely for the purposes of this Contract and not to disclose such Confidential Information to any third party in any form without the prior written consent of Company, or as may be allowed by applicable Law. Producer will advise and cause its respective employees, directors, officers, accountants, attorneys, Producers, and representatives (collectively "Representatives") who will have access to Confidential Information not to use or disclose any Confidential Information for any purpose other than for the purposes set forth in this Contract, or as required by Law, and any such use or disclosure shall be at all times and in all events on the terms of and in compliance with the restrictions of this Contract. "Confidential Information" includes all information and data provided by Company to Producer, or acquired or used by Producer pursuant to this Contract, including Company's business and proprietary information, actual or potential customers, customer lists, strategic alliances, plans, reports, analyses, studies, models, sales data, marketing materials (including, without limitation, illustrations, disclosures and consumer advertising), or any other secret or confidential work, knowledge, know-how, trade secret or business information of Company or its respective affiliates, any information relative to any products, business procedures, coverage, or underwriting rates or pricing. "Confidential Information" also includes all records, files, input materials, reports, books or records, forms and other data or information, whether in written, electronic, or oral form, received, collected, processed, used or stored by, or provided to, Producer, pursuant to this Contract, including, without limitation, customer, applicant, contract or policy owner information, such as names, addresses, e-mail addresses, account numbers, and financial and health information. Confidential Information does not include information which is or becomes: (A) generally available to the public at the time of disclosure; or (B) was independently developed by Producer.
 - (ii) Producer agrees to indemnify and hold harmless Company and Company's affiliates, and their respective shareholders, officers, directors, employees and affiliates, from all claims, losses, liabilities, suits, actions, demands, settlements, losses, judgments, fines, costs, damages, fees and expenses, including, without limitation, reasonable attorney fees and expenses, incurred as a result of the failure of Producer or its Representatives to perform its confidentiality obligations hereunder.

- (iii) In the event that Producer becomes legally compelled to disclose any of the Confidential Information or take any other action prohibited by this Contract, Producer will provide Company with prompt written notice for the purpose of enabling Company to seek a protective order or other appropriate remedy, or waive compliance with the provisions of this Contract. In the event that such protective order or other remedy is not obtained within the time required to provide the Confidential Information, or if no such time period is specified, within thirty (30) days of such written notice to Company, Producer so legally compelled will furnish only that portion of the Confidential Information or take only such action which is, in the opinion of Producer's counsel, legally required, and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded to any Confidential Information so furnished.
 - (iv) Producer shall maintain security procedures to protect against improper disclosure or use of Confidential Information, and shall comply in full with the privacy and security requirements of the Gramm-Leach-Bliley Act ("GLBA") and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as may be applicable, and any rules and regulations promulgated thereunder. To the extent that any applicable state or regulatory authority's requirements are more stringent than GLBA or HIPAA, Producer's use and/or disclosure of Confidential Information shall be in accordance with such requirements. Except to the extent otherwise required or specifically permitted by Law, Producer's use and/or disclosure of Confidential Information shall be limited solely to the purposes for which such information is disclosed to Producer to perform its obligations under this Contract.
 - (v) Producer shall maintain appropriate administrative, technical and physical safeguards to assure that Confidential Information is not used or disclosed other than as provided by this Contract or as allowed by Law. Producer expressly warrants that all Producer personnel with access to the Confidential Information: (A) will be advised of, and appropriately trained regarding the confidentiality and privacy obligations required under this Contract and by Law; and (B) will comply in all respects with such obligations.
 - (vi) Producer agrees to report to Company in writing within forty-eight (48) hours of discovering the same, any use or disclosure of Confidential Information not provided for in this Contract or for a purpose not expressly permitted by Law. To the extent such unauthorized use or disclosure occurs, Producer agrees to immediately mitigate, to the greatest extent possible, any harmful effect thereof.
 - (vii) Producer agrees that it will abide by the limitations of Company and its affiliates' current privacy policies as published by Company and its affiliates and as reasonably communicated to Producer from time to time.
 - (viii) Producer agrees that Producer will, prior to or simultaneously with the execution of this Contract, execute a HIPAA Business Associate Addendum to this Contract satisfactory to Company. A copy of the executed HIPAA Business Associate Addendum shall be attached to this Contract as Addendum B.
 - (ix) Producer's obligations under this Section 7.e. shall continue after termination of this Contract.
- f. **Customer Service.** Producer agrees to maintain in force all issued Products during the term of this Contract, and following the termination of this Contract, Producer will not violate Section 11d.(i)bb. of this Contract. This Section 7(f) shall survive the termination of this Contract.

g. Prompt Transmittal.

- (i) Producer shall transmit to the home office of Company, by certified mail or overnight delivery, within 24 hours after receipt, any documents served upon Producer or Producer's employees in connection with any regulatory action or legal proceedings by or against Company. Producer shall not act as Company's agent for service of process without Company's prior written approval.
- (ii) Customer complaints, whether written or oral, including all correspondence and documentation related to the complaints, shall be promptly transmitted to Company in accordance with Company Rules and Procedures.
- (iii) Producer agrees to transmit to Company all applications solicited and money accepted for Company in accordance with Company Rules and Procedures.
- (iv) This Section 7.g. shall survive the termination of this Contract.

h. Expenses. Unless otherwise agreed to in writing between Company and Producer, Producer shall be responsible for and shall pay all expenses incurred by Producer or Producer's employees in the performance of this Contract, including, without limitation, local and municipal fees and taxes, and occupational and privilege taxes, with no right of reimbursement.

i. Indemnity and Hold Harmless. Producer agrees to indemnify and hold harmless Company and Company's affiliates, and their respective shareholders, officers, directors, employees and affiliates, from all claims, losses, liabilities, suits, actions, demands, settlements, judgments, fines, costs, damages, fees and expenses, including, without limitation, reasonable attorney fees and expenses, resulting from any acts or omissions of Producer or Producer's employees. In the event Company asserts any rights under this or any other hold harmless and indemnification provision under this Contract, or any other contract between Company and Producer, Company shall have the right to withhold all compensation then due or to become due to Producer under this Contract, or any predecessor agreements, and to apply the same against the hold harmless and indemnification obligations of Producer to the extent determined by Company. This Section 7.i. shall survive the termination of this Contract.

j. Records.

- (i) Producer agrees to maintain, safeguard, and produce for inspection upon request by Company, complete and accurate files of all transactions related to Company, Company Products, applicants, insureds, and policy and contract owners of Company. Such files shall be maintained and retained in accordance with Company Rules and Procedures.
- (ii) If Producer is licensed and appointed to solicit the Products of a Company licensed to do business in the State of New York, the records relating to Products issued in the York shall be maintained in accordance with New York Insurance Regulation 152.
- (iii) Producer agrees that all records in the possession of or under the control of Producer which are connected with or relate to business transacted under this Contract shall be open to inspection and shall be fully disclosed to Company. Producer also agrees that the compensation accounts of Company shall be competent and conclusive evidence of the state of Producer's compensation accounts.

k. Repayment of Unearned Compensation.

- (i) Producer agrees to immediately repay to Company all unearned agent compensation received by Producer for, or with respect to, premiums or payments returned to policy or contract owners by Company for any reason.

- (ii) Such unearned compensation will first be debited against Producer's compensation account. Producer agrees to pay to Company on demand any unpaid amounts remaining after such debit against Producer's compensation account.
- (iii) The obligation to repay compensation shall apply even if the applicant, policy owner, or contract owner does not accept the premium refund.
- (iv) Payments of compensation to Producer made in error will be repaid in the same manner as unearned compensation.
- (v) Other provisions regarding repayment of unearned compensation or chargebacks may be contained in one or more commission schedules to this Contract.
- (vi) This provision 7.k. shall survive the termination of this Contract.

I. Indebtedness.

- (i) To secure any and all present and future indebtedness of Producer to Company, Producer hereby pledges, assigns, and grants to Company a security interest in, a first lien upon, and rights of set-off and recoupment against all compensation due Producer from Company. In the event that Producer is indebted to Company, Company shall have the right, at any time, to deduct such indebtedness from any and all compensation due to Producer from Company, at the sole option of Company.
 - (ii) Producer shall be responsible for any indebtedness owed to Company by Producer.
 - (iii) In the event of Producer's failure to pay any indebtedness of Producer to Company when due, Company may elect to exercise any and all of its rights and remedies allowed under this Contract, any other contract between Producer and Company, and any right or remedy existing at Law or in equity. Company's option not to exercise any such rights or remedies shall not be construed as a waiver of the right to exercise any such rights or remedies at a later date. An exercise by Company of any of its rights or remedies shall not prevent the concurrent or subsequent exercise or any of its other rights or remedies.
 - (iv) All indebtedness of Producer to Company, whether occurring before or after termination of this Contract, and all rights and remedies of Company to recover the same, shall survive the termination of this Contract.
- m. Property.** Producer agrees to return on demand all property of Company. Property of Company includes, but is not limited to: rate books, manuals, supplies, applications, policy and contract forms, policy and contract owner records, video tapes, computer hardware and software, advertising, sales and promotional literature, any business forms, all other Company materials, and any materials displaying the AIG American General terms, names, and Company names, words, or logos described in Section 5.d. above.
- n. Employees.** Producer shall be financially responsible to Company for the acts of Producer's employees and shall promptly report to Company, in writing, any known or alleged misappropriation of funds by Producer's employees regardless of whether such known or alleged misappropriation is with respect to funds of Company or funds of any other person or company.
- o. Complaints.** Producer shall document and promptly report to Company all customer complaints involving the conduct, performance, or services of Producer under this Contract in accordance with Company Rules and Procedures. Producer agrees to fully cooperate with Company in the investigation and resolution of such complaints.

- p. **Remittances.** All moneys or other properties belonging to Company, while in the custody or control of Producer, shall be held by Producer in a fiduciary capacity and shall not be commingled with other funds or properties held by Producer. No moneys or other properties belonging to Company shall be used by Producer for any purpose whatsoever but are to be reported and transmitted to Company in accordance with Company Rules and Procedures. Producer shall be responsible to Company for all moneys paid to or collected by Producer and its employees.
- q. **Change of Affiliation.** If Producer requests to write business directly or through another Master General Agent or Producer, Producer must do the following:
 - (i) If the Producer is considered an Active Producer by the Company, the Producer will be prohibited from submitting new business to the Company for a period of six months unless the Producer requests a letter from his/her former Master General Agent relinquishing the Producer. This letter must be forwarded to the Company's Licensing Department. For the purposes of this provision, an Active Producer means an agent who has submitted new business within the last 12 month period, excluding renewals. This would include the addition of new coverage to existing inforce business.
 - (ii) If the Producer is not an Active Producer, the Producer must send a letter of termination to his/her former Master General Agent and forward a copy of the letter to the Company's Licensing Department.

8. SUBAGENTS

- (a) At its option, Company will contract with, and appoint qualified prospective Subagents recruited by Producer. Such Subagents must meet standards then generally required by Company for contracting and appointment of agents. Company reserves the right to not contract and appoint a particular agent, or to terminate, at any time, the contract and appointment of any agent. Producer shall not permit any Subagent to conduct business in any state, territory or jurisdiction where the Subagent is not licensed by the appropriate regulatory authorities and appointed with Company in accordance with applicable Law. Producer also agrees to do the following:
 - (i) Producer shall promptly notify Company, in writing, if Producer terminates an employment or other contractual relationship with a Subagent.
 - (ii) Producer shall promptly report to Company, in writing, any known or alleged misappropriation of funds by Subagents regardless of whether such known or alleged misappropriation is with respect to funds of Company or funds of any other person or company.
 - (iii) Producer shall be responsible for supervising and training of Subagents. Such training shall assure that each Subagent:
 - a. is fully informed as to the provisions and benefits of each Product offered by Company;
 - b. represents such Products accurately and fairly to prospective purchasers;
 - c. is aware of and complies with the applicable Laws of each state, territory and jurisdiction in which Subagent conducts business; and
 - d. becomes fully informed of and acts in compliance with all Company Rules and Procedures.
 - (iii) Producer shall ensure Subagents abide by the terms of this Agreement.
- (b) If a Subagent's compensation is paid through Producer and Producer is terminated for any reason, Company is authorized to pay directly to such Subagent any compensation due Subagent in accordance with the terms of such Subagent's contract with Company, as reflected in Company's records. Producer agrees to release and indemnify and hold harmless Company and Company's affiliates, and their respective shareholders, officers, directors, employees and affiliates, from all claims, losses, liabilities, suits, actions, demands, settlements, judgments, fines, costs, damages,

fees and expenses, including, without limitation, reasonable attorney fees and expenses, resulting from payments of compensation made by Company to Subagents pursuant to this Section 8.b.

- (c) If a Subagent requests to write business directly or through another Master General Agent or Producer, the Subagent must do the following:
 - (i) If the Subagent is considered an Active Subagent by the Company, the Subagent will be prohibited from submitting new business to the Company for a period of six months unless the Subagent requests a letter from his/her former Master General Agent relinquishing the Subagent. This letter must be forwarded to the Company's Licensing Department. For the purposes of this provision, an Active Subagent means an agent who has submitted new business within the last 12 month period, excluding renewals. This would include the addition of new coverage to existing inforce business.
 - (ii) If the Subagent is not an Active Subagent, the Subagent must send a letter of termination to his/her former Master General Agent and forward a copy of the letter to the Company's Licensing Department.

9. COMPENSATION

- a. Producer shall be paid compensation for Products sold by Producer while this Contract is in effect in accordance with the compensation schedules made a part of this Contract, subject to the terms and conditions of this Contract and Company Rules and Procedures, and applicable Law. Producer must be appropriately licensed and appointed to receive compensation under this Contract.
- b. Compensation will be calculated based on the compensation schedules in effect on the date the application for a Product is received by Company. Company reserves the right to adjust the level of compensation paid on future sales of Products.
- c. If any policy or contract is considered to be a replacement or conversion of an existing Company policy or contract, or a replacement or conversion of a policy or contract of one of Company's affiliates, then compensation shall be adjusted in accordance with Company's then current replacement rules. If all or any portion of a policy or contract is reinsured, compensation may also be adjusted.
- d. If a policy or contract should lapse for non-payment of premium, no further compensation will be payable on such policy or contract unless it is thereafter reinstated in accordance with Company's reinstatement rules.
- e. For group policies, the Producer's compensation is vested for the first year of sale.
- f. For group policies, if a policyholder requests a broker of record change, any compensation payable to Producer shall cease on the next premium billing cycle, except for any vested compensation. All future commissions not accrued before the billing cycle will be payable to the new agent. Producer will no longer be assigned to the policy.
- g. For individual policies, if a policyholder requests a broker of record change, all commissions for new business written will be paid to the new Producer of record. Commissions for existing business at the time of the Producer of record change will be vested and will continue to be paid to Producer.
- h. Producer shall be responsible for any indebtedness owed to Company by Producer and its Subagents, if any, who are contracted with the Producer. Except as otherwise agreed to in writing between Company and Producer, any indebtedness owed to Company by Subagents will first be offset against the compensation account of the Subagent, and next against the compensation account of Producer, if the indebtedness of Subagent is deemed uncollectable by Company, as determined by Company in its sole discretion. A Subagent's indebtedness will not be deemed uncollectable until ninety (90) days after demand for repayment has been made by Company to the Subagent.

- i. Unless otherwise agreed to in writing by Company, compensation payable under this Contract will not be included in determining compensation credits for the purposes of qualifying for prizes, trips, deferred compensation plans or other production awards which may be available to Producer through any other agent or other agreement between Producer and Company or Company's affiliates, or any profit center of Company.
- j. Any bonus program in effect, or any bonus program described in compensation schedules that becomes effective in the future, is not vested and may be discontinued at any time. No bonus will be payable in the event of forfeiture under Section 11. below.
- k. It is mutually agreed that unless Producer makes demand for compensation hereunder or otherwise within one (1) year from the date such compensation is earned, Producer agrees that compensation paid to him/her is correct.

10. COMPENSATION UPON TERMINATION

Except as otherwise provided in a compensation schedule to this Contract, if this Contract is terminated for any reason other than for cause, compensation under this Contract is payable as follows:

- a. Producer is vested for compensation payable for the first year of sale.
- b. Other than the vested first-year compensation in Section 10.a. above, upon termination of this Contract, Producer's compensation shall be reduced to zero on premiums paid to and accepted by the Company on or after the effective date of the termination on business written by the Producer.
- c. In the event of dissolution of a Producer that is a corporation or other legal entity, all vested compensation otherwise payable to Producer shall be paid to a single successor payee, provided that such successor payee shall have been designated in writing in a form satisfactory to Company.
- d. Payment of any vested compensation as provided under this Section 10 is superseded in the event of a forfeiture under Section 12. below.
- e. This Section 10. shall survive the termination of this Contract.

11. CHANGES IN SCHEDULES

Compensation schedules attached to this Contract may be changed by Company at any time with notice to Producer. Such changed compensation schedules shall apply to applications for Products received by Company on and after the date of the new schedule.

12. TERMINATION

- a. **Automatic Termination.** This Contract shall automatically terminate upon:
 - (i) the death of Producer, if Producer is an individual;
 - (ii) the dissolution of the partnership, or upon the death of a partner, if Producer is a partnership or a limited liability partnership;
 - (iii) the dissolution of the corporation or entity, if Producer is a corporation, limited liability company, or other business entity existing under Law;
 - (iv) the sale of a majority or controlling interest of the corporation or other entity, if Producer is a corporation or other entity;
- b. **Immediate Termination.** This Contract may be terminated, immediately, at Company's sole discretion upon:

- (i) the filing of a voluntary petition in bankruptcy or for reorganization by Producer; or
 - (ii) the filing of an involuntary petition in bankruptcy or for reorganization against Producer.
- c. Written Notice.** This Contract may be terminated either by Company or by Producer upon thirty (30) days written notice to the other party. Producer's authority to solicit, procure, or otherwise participate in the solicitation or procurement of applications for Products shall terminate on the date specified within the notice.
- d. Termination for Cause.**
- (i) This Contract may be terminated for cause by Company immediately upon written notice to Producer, if Producer:
 - aa.** Wrongfully withholds or misappropriates any funds, insurance policies, annuities, vouchers or other property belonging to the applicant, policy or contract owner, or Company;
 - bb.** Directly or indirectly endeavors to induce Company's policy or contract owners to surrender, replace or lapse their policies or contracts, or participates in such activities;
 - cc.** Acts to materially prejudice the interests of or to discredit Company;
 - dd.** Fails to comply with or otherwise breaches the terms or conditions of this Contract or Company Rules and Procedures;
 - ee.** Has any license to act as an insurance agent or Producer revoked or not renewed;
 - ff.** Violates any insurance or other material Law;
 - gg.** Commits any fraud upon Company or its policy or contract owners; or
 - hh.** Directly or indirectly endeavors to induce agents of Company to discontinue their contracts with Company, or participates in such activities.
 - (ii) For a period of two years following a contract termination made pursuant to Sections 12.a., b., or c., Company reserves the right to convert said termination to a termination for cause upon the determination by Company that an activity or event listed in Sections 12.d.(i)(aa.-hh.) occurred either before the initial termination or within two years after the initial termination. Should Company elect to convert a termination to one for cause pursuant to this Section 12.i.d., the provisions of Section 11.e. will remain fully applicable.
- e. Forfeiture.** Should Producer at any time while this Contract is in force, or within two years following its termination, be terminated for cause, then Producer shall forfeit any and all rights to compensation or remuneration of any kind, then due or to thereafter accrue under this or any other contract with Company. This forfeiture shall be without prejudice to Company as to any other remedy available at Law or in equity.
- f. Servicing.** Upon termination, Company may assign a servicing agent of Company's choosing in connection with any business written by Producer, however, such assignment will not of itself affect the vesting of compensation on existing business as provided under the terms of this Contract.
- g. Survive Termination.** The provisions of Sections 12.d., e., f. and g. shall survive the termination of this Contract.

13. ARBITRATION

- a.** Any and all disputes arising under this Contract shall be settled by arbitration in Houston, Texas, or such other place as may be mutually agreed upon by the parties, under the rules of the American Arbitration Association, and judgment may be entered upon the award in any court of competent jurisdiction.
- b.** The arbitrator will decide the dispute in accordance with the substantive law of Texas. Following the arbitration hearing, the arbitrator shall issue a decision and a separate written opinion that summarizes the reasoning behind the decision and the legal basis for the decision. The separate

written opinion will be kept confidential by the arbitrator and by all parties. The decision is not reviewable by any court for errors of law or fact.

- c. The determination of the arbitrator shall be final and binding upon all parties. The costs of arbitration shall be borne equally by both parties.
- d. **COMPANY AND PRODUCER EACH WAIVES ALL RIGHTS TO RECOVER SPECIAL, PUNITIVE AND NON-COMPENSATORY DAMAGES AGAINST THE OTHER PARTY.**
- e. This Section 13 shall survive the termination of this Contract.

14. WAIVER

Failure of Company to exact strict compliance with the terms of this Contract or the failure to declare any default when the same shall become known to it, shall not operate as a waiver of such conditions nor release Producer from Producer's obligation to perform all requirements of this Contract strictly in accordance with its terms.

15. PRODUCTION AND PERSISTENCY

Company shall have the right to establish minimum production and persistency standards as a requisite to Producer maintaining this Contract, which standards Company shall be free to amend, in its sole discretion.

16. PREVIOUS CONTRACTS

- a. By execution of this Contract, all previous agent contracts, including any compensation schedules and supplements to such contracts between Company and Producer, other than single case commission agreements, are terminated as of the Effective Date of this Contract. Producer's right to vested compensation from Company under a previous contract is not hereby terminated and shall be determined under the contract in effect when the application(s) for new business were written.
- b. Notwithstanding the termination discussed in Section 16.a. above, any lien, security interest, claim, right or remedy that Company has or may have against Producer under any previous agreement shall survive such termination and remain in full force and effect.

17. PARAGRAPH HEADINGS

The captions contained herein shall not be considered a portion of this Contract nor a limitation thereon, but are inserted for reference only.

18. ENTIRE AGREEMENT

This Contract, including all applicable schedules and all supplements thereto, and all other written agreements between Company and Producer which are expressly made a part of this Contract, constitutes the entire Contract between the parties. However, Producer's right to compensation from premiums on products issued by Company under a previous agreement is not affected except as provided in the Indebtedness and Previous Contracts Sections hereof.

19. MODIFICATIONS

This Contract cannot be modified or changed by any oral promise or statement by whomsoever made. No written modification of this Contract will bind Company unless it is signed by an authorized officer of Company and specifically expresses an intention to modify or change this Contract.

20. EXONERATION CLAUSE

Should any legislation, court decision or ruling of any state insurance department or other applicable Law render any provision of this Contract unlawful, it is mutually agreed that any changes in this Contract as

may be necessary shall be made without loss, damage or other expense to Company. Any provision of this Contract which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, enforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

21. NOTICE AND GOVERNING LAW

- a.** All notices required under this Contract must be in writing. Such notices may be sent by U.S. mail, certified, return receipt requested, or air courier service with return receipt. Notice will be deemed completed to Producer upon deposit, postage prepaid, in the U.S. mail or by air courier service, addressed to Producer at Producer's address according to Company's records, or to Company, upon actual receipt by Company, at its home office, whichever applies.
- b.** The terms of this Contract shall be governed by and constructed in accordance with the Laws of the State of Texas, without regard to its conflicts of law principles. Producer agrees to subject itself to the jurisdiction of the courts in Harris County, Texas for the enforcement of the Arbitration Section of this Contract.
- c.** This Section 20 shall survive the termination of this Contract.

22. FEDERAL CRIME CONTROL ACT NOTICE AND CERTIFICATION

- a.** By execution of this Contract, Producer represents and warrants that Producer has not been convicted of any criminal felony involving dishonesty or breach of trust, or has obtained the required written authorization or written consent from each Department of Insurance in the states, territories and jurisdictions in which Producer transacts insurance business, in which case, Producer shall advise Company of such conviction and furnish such authorization or consent for Company's examination.
- b.** Should Producer at any time while this Contract is in effect be convicted of a criminal felony involving dishonesty or breach of trust, Producer agrees to immediately notify Company in writing of the felony conviction. Producer understands that failure to comply with the requirements of the Federal Crime Control and Law Enforcement Act of 1994 (18 U.S.C.S. Sec. 1033, 1034) may result in disciplinary action up to and including termination for cause by Company.

23. CONDUCT OF BUSINESS

Company may make such changes and decisions as it deems advisable in the conduct of its business, including the discontinuance of any Product or policy or contract form or the withdrawal from any state, territory or jurisdiction, and Company shall incur no liability to Producer by reason of its doing so. Company shall have the right to test market any product on a select basis without making the product available to all Producers or in all locations.

24. INVESTIGATION NOTICE

Producer authorizes Company to obtain an investigative consumer report from a consumer reporting agency or similar source, at any time Company deems it advisable to evaluate the financial condition, character, credit, reputation and personal traits of Producer and all signatories of this Contract. Producer and all signatories of this Contract release those contacted and Company and Company's affiliates, and their respective shareholders, officers, directors, employees and affiliates, from any liability with respect to the content of the information provided and any resulting action by Company. In furtherance of this provision, Producer and all signatories of this Contract agree to immediately execute, upon the request of Company, any authorization or other document or instrument as may be required to obtain such reports or information.

25. ELECTRONIC COMMUNICATIONS AND TRANSACTIONS

Producer must at all times have the capacity to communicate with Company through electronic mail and to accept electronic transactions including, but not limited to, electronic fund transfers, the capacity to receive e-mail correspondence and access to the internet.

26. PRODUCER REPRESENTATIONS

By executing this Contract, Producer makes the following representations:

- a. Producer has read, understands, and will abide by the terms of this Contract.
- b. Producer has reviewed this Contract with counsel or has voluntarily chosen not to do so.
- c. Producer will abide by Company Rules and Procedures, whenever Producer is acting as a Producer of Company.
- d. If Producer is a corporation, partnership or other legal entity, each and every individual who signs this Contract for Producer jointly and severally guarantees the performance of all the obligations hereunder.
- e. Producer has received, read, understands, and will abide by the contents of Company's Compliance Manual.

IN WITNESS WHEREOF, Company has caused this Contract to be signed by its duly authorized officer, and Producer has caused the same to be signed, the date and year first above written.

ADDENDUM A

**Compensation Schedules
Please attach the applicable schedule.**

COMMISSION – SCHEDULE**Life and A&H Insurance****CONTRACT:**

Attached to be made a part of the Contract.

CONTROL DATE:

January 2007

COMMISSION SCHEDULE:

Commissions and Excess premium commissions equal to the percentage shown shall be paid on premiums actually received in cash by the “Company” for each policy year.

PRODUCTS:	First Year Target	Gross Compensation		
		First Year Excess	Renewal Year 2 – 10	Service Fees 11 +
<u>American General Life Insurance Company</u> Estate Master Select SM	75.00	2.25	2.25	1.00
AIG CancerCare®	60.00	0.00	8.00	0.00
AIG CriticalCare®	62.50	0.00	9.25	9.25
AIG EmergencyCare®	60.00	0.00	11.25	11.25
AIG DisabilityCare®	50.00	0.00	8.0	8.00
AIG ROP Term MVP SM	65.00	0.00	3.50	3.50
AIG Term MVP SM	70.00	0.00	3.50	3.50

BENEFITS AND RIDERS:

Term to Age 70 Rider (attached to Estate Master Select)	40.00	3.25	4.25	4.25
---	-------	------	------	------

Commissions for the following benefits and riders are paid at the same rate as paid on the base policies to which they are attached:

Future Guaranteed Insurability Rider	Accidental Death Benefit	Accidental Death & Dismemberment
Waiver of Monthly Deduction	Accident Only Disability Income Benefit	Children’s Insurance Benefit
Benefit Extension Rider	Hospital Cash Rider	Waiver of Monthly Guaranteed Premium
Critical Illness Rider	Loss of Independent Living Rider	Medical Personnel HIV Benefit Rider

For the following riders, no compensation is payable:

Terminal Illness Rider
SARS

PRODUCTS:	First Year Target (Heaped)	Gross Compensation		Renewal Year (Flat)
		First Year Target (Flat)	Renewal Year (Heaped)	
<u>AIG Life Insurance Company</u>				
AIG Group CriticalCare SM	60.00	17.14	8.00	17.14
AIG Group CancerCare SM	60.00	17.14	8.00	17.14
AIG Group HospitalCare SM	25.00	16.67	8.00	16.67
AIG Group EmergencyCare SM (Plan A)	42.00	16.80	8.00	16.80
AIG Group EmergencyCare SM (Plan B&C)	60.00	17.14	13.75	17.14
AIG Group DisabilityCare SM	42.00	n/a	8.00	n/a
<u>American International Life Assurance Company of New York</u>				
AIG Group CriticalCare SM	60.00	17.14	8.00	17.14
AIG Group CancerCare SM	60.00	17.14	8.00	17.14
AIG Group HospitalCare SM	25.00	16.67	8.00	16.67
AIG Group EmergencyCare SM (Plan A)	42.00	16.80	8.00	16.80
AIG Group EmergencyCare SM (Plan B&C)	60.00	17.14	13.75	17.14
AIG Group DisabilityCare SM	n/a	see below	n/a	see below
Annual Amount of Premium				
First \$25,000		20.0		20.0
Next \$25,000		17.5		17.5
Next \$25,000		15.0		15.0
Next \$25,000		12.1		12.1
Next \$100,000		10.0		10.0
Next \$100,000		7.5		7.5
Next \$100,000		5.0		5.0
Thereafter,		2.5		2.5

COMMISSION RATE ADJUSTMENTS:

The commissions and overrides due under the terms of this commission schedule are subject to adjustment anytime a selling producer enters in to a commission adjustment agreement and/or an amendment to the producer's commission schedule (such forms are referred to as commission adjustment agreements herein). Producer commission adjustment agreements may be required in connection with the use of certain policy endorsements and financing arrangements.

 Producer's Name (please print)

 Producer's Signature

 Date

HILDEBRAND_N9370
 MGA or AIG Sales Representative Name (please print)

 MGA Signature

 Date

ADDENDUM B

PRIVACY (HIPAA) BUSINESS ASSOCIATE ADDENDUM

This addendum (“Addendum”) effective as of _____, 200__ is between _____ (for purposes of this Addendum, hereinafter referred to as “Producer”) and AIG Life Insurance Company and each Affiliated Insurer made a party to the agreement to which this Addendum is attached. AIG Life Insurance Company and such Affiliated Insurers shall be hereinafter collectively referred to as “Company”.

WHEREAS, Company is an insurance company licensed to sell insurance or financial services products (the “Products”) in a variety of jurisdictions;

WHEREAS, Producer entered or is entering into an agreement (the “Agreement”), such as an agent’s or a solicitor’s contract, whereby Producer will solicit applications for Company’s Products;

WHEREAS, through performing services pursuant to the Agreement, Producer may receive or have access to individually identifiable health information (“Protected Health Information” or “PHI”) or other information about a customer, such as financial or health information, that is not publicly available (“Nonpublic Personal Information” or “NPI”). PHI and NPI shall be collectively called the “Information”; and

WHEREAS, the parties wish to amend the Agreement: (i) to include additional terms and requirements concerning Information privacy, (ii) to satisfy the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and, any applicable rules and regulations, as may be amended from time to time, and, (iii) to include additional terms.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

I. Privacy.

1. The terms “Protected Health Information” and “PHI” shall have the meaning set forth in 45 C.F.R. Sec. 164.501 as may be amended. Other terms shall have the same meanings as set forth in the applicable definition of the HIPAA Privacy Rule or other regulations.
2. Producer shall maintain the confidentiality, and use and disclose Information solely for the purposes specified in the Agreement and any addendum thereto and to fulfill the purposes of the Agreement and any addendum thereto, consistent with Company’s notices of privacy practices, policies and procedures, provided that such use or disclosure would not violate any applicable, laws, rules or regulations if done by Company.
3. Producer shall:
 - a. Not use or further disclose PHI other than as permitted or required by the Agreement or any addendum thereto or as required by law.
 - b. Use commercially reasonable efforts and appropriate safeguards to maintain the integrity, confidentiality, and security of PHI and to prevent the unauthorized use or disclosure of PHI and to comply with the security standards or the HIPAA security regulations. Upon Company request Producer will provide to Company access to and documentation regarding any safeguards.
 - c. Report promptly within forty-eight (48) hours to Company’s Privacy Officer in writing any use or disclosure of PHI that is not permitted by the Agreement or any

addendum, of which Producer becomes aware. Producer's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the PHI used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Producer has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, (v) what corrective action Producer has taken or shall take to prevent future similar unauthorized use or disclosure, and (vi) any other information as reasonably requested by Company's Privacy Officer.

- d. Require all of its employees, representatives, subcontractors, agents or Producers that receive or have access to PHI to agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply herein, including the obligation to return or destroy the PHI as provided for below.
 - e. Make Producer's internal practices, books, and records relating to the use and disclosure of PHI available to the Department of Health and Human Services for purposes of determining Producer's and Company's compliance with the HIPAA requirements; provided that, Producer shall immediately notify Company upon receipt by Producer of any such request.
 - f. Within ten (10) days of receiving a written request from Company, provide to Company such information as is requested by Company, if any, to permit Company to respond to a request by an individual for access to, an amendment of, or an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. Secs. 164.524, 164.526, and 164.528. If an individual contacts the Producer directly about access to, amendment of, or an accounting of disclosures of his/her PHI, the Producer will forward such request immediately to Company and not provide such access, amendment, or disclosure. Notwithstanding anything herein to the contrary, Producer shall make reasonable efforts to cooperate with Company in responding to any such requests and enabling Company to comply with federal laws and regulations regarding the timing of response to such requests.
 - g. Upon termination of the Agreement and subject to applicable law and the Company's file and record maintenance requirements in the Compliance Manual, return or destroy (with Company's written permission) all PHI that Producer maintains in any form pursuant to the Agreement, and retain no copies of such information. However, if Company determines that such return or destruction is not feasible, Producer will continue to extend the protections of this Addendum to such PHI and limit further use of the information to the purposes that make the return or destruction not feasible. The respective rights and obligations of each party pursuant to this subsection shall survive the termination of the Agreement.
- 4. In the event Producer breaches a material obligation under this Addendum, Company may at its option: (i) require Producer to cure the breach within forty-eight (48) hours of Company notice to Producer, and/or (ii) immediately terminate the Agreement.
 - 5. Producer agrees to abide by the limitations of any notices of privacy practices published by the Company.
 - 6. Restrictions On Use. Company shall notify Producer of any restriction to the use or disclosure of PHI Company has agreed to in accordance with 45 CFR Sec. 164.522, to the extent that such restriction may affect Producer's use or disclosure of PHI.

II. To the extent that state law is more stringent than the HIPAA regulations, any use or disclosure of PHI by Producer shall be made in accordance with the law. Any provision or ambiguity of this Addendum which conflicts with an applicable state or federal law shall be interpreted so as to permit compliance with HIPAA or the minimum requirements of any such statute or regulation.

- III. The terms and conditions of this Addendum and Producer's obligations hereunder shall survive any termination or expiration of this Addendum or the Agreement for any reason whatsoever.
- IV. Nothing express or implied in this Addendum is intended to confer, nor anything herein shall confer, upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.
- V. If there is any conflict between the Agreement and this Addendum, this Addendum shall control. If any other Agreement or Company policy or procedure concerning the use or disclosure of PHI is more restrictive than the provisions of this Addendum, then the more restrictive provisions shall control.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed as of the date below.

PRODUCER

AIG LIFE INSURANCE COMPANY

By: _____
Signature

By: _____
Signature

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

