



FIDELITY SECURITY LIFE INSURANCE COMPANY

Agent Commission Agreement

THIS AGREEMENT is made and effective this _____ date, _____ 20____, between Fidelity Security Life Insurance Company, (hereinafter described as "Insurer"), and

Name of Agent _____ City _____ County _____ State _____ Zip _____
(hereinafter described as "Agent").

The Insured and the Agent may be singularly referred to herein as "Party" and collectively referred to herein as "Parties."

1. COMMISSION. Subject to the provisions of this Agreement, in accordance with the rules and regulations of the Insurer, and as hereinafter set out, the Insurer, or its duly authorized representative, will pay Commissions to Agent on premiums received in cash by the Insurer for policies issued during the term of this Agreement upon applications procured and submitted by Agent. Such Commissions will be calculated in accordance with the provisions of the Commission Schedules, attached hereto.

- (a) Commissions will not be paid on premiums waived, premiums paid in advance (except as they are applied toward payment of the current premium) or premiums paid subsequent to a lapse of a policy unless the policy is reinstated solely through the instrumentality of the Agent.
- (b) The Insurer has the right, at its sole discretion, to modify any Commission Schedule attached hereto, by furnishing Agent advance written notice of any such modification. However, any such modification will not apply to any policy whose effective date was prior to the effective date of the modification.
- (c) The insurance products governed by this Agreement are outlined in the attached Commission Schedule, which may be modified by the Insurer from time to time by the addition or deletion of products.

2. AUTHORITY TO SOLICIT. Agent is authorized to solicit applications for insurance for the Insurer, collect the first premium on each policy of insurance applied for and pay the same over to the Insurer in accordance with the Insurer's procedures; deliver the policies of insurance as directed by the Insurer; and do any act or perform any duty which is specifically authorized in writing and signed by an officer of the Insurer.

This authority granted the Agent is subject to the rules of the Insurer and statutes and regulations of applicable insurance departments, including licensing requirements. No Agent(s) shall be permitted to transact any insurance business with FSL without first having an insurance license from the state the business is being transacted, and/or appointment with FSL, when the same is required by the state.

The Agent agrees to defend, indemnify and hold harmless the Insurer, its directors, officers, employees, and agents with respect to any and all claims, suits, actions, liabilities, losses, damages, attorney's fees, interest, penalties, costs and any other losses of any kind arising from the Agent's activities hereunder, unless it is determined that such claim, suit, action, liability, loss, damage, attorney's fee, interest, penalty, cost and any other loss of any kind was caused by, the negligence or willful misconduct of the Insurer, its directors, officers, employees or agents. Authority to solicit is subject to appointment of the Agent with the Insurer as required by the insurance law in such states as the Agent is licensed and authorized to solicit. The Insurer reserves the right to require the Agent to pay to the Insurer such fees as may be required for appointment, renewal of appointment and termination of appointment in each and every state where the Agent must be appointed in order to solicit. Additionally, Agent will be responsible for payment of all such fees for sub-producers under Agent's supervision who are appointed with the Insurer to solicit and notifying Insurer of appointments which should be non-renewed or terminated.

3. LIMITATION OF AUTHORITY. Agent has no authority to alter, modify, waive or change any of the terms, rates or conditions of the Insurer's policies or contracts. Agent will have no authority to advertise, distribute or publish, regardless of the media, any matter or thing concerning the Insurer or its policies

without written permission of the Insurer, nor to do any act or perform any duty other than is expressly granted herein except as specifically authorized in writing by the Insurer. The Agent shall give the Insurer immediate notice of any state insurance department complaints or inquiries, or legal proceedings initiated against it or against any sub-producer of which it has notice.

4. RELATIONSHIP. The relationship between the Insurer and Agent will be that of independent contractor and contractee, and not that of employer and employee. Within the territory herein designated, Agent will be free to exercise independent judgement as to the time and manner in which he may perform the services authorized to be performed under this Agreement, but the Insurer may from time to time prescribe rules and regulations with respect to the conduct of the business covered hereby, not interfering with such freedom of action of Agent, which rules and regulations Agent will conform to and observe.

5. TERRITORY. The Agent is authorized to solicit in any territory in which the Insurer is licensed, the Agent is properly licensed and appointed with the Insure and where the Insurer has directed from time to time. No territory is assigned exclusively to Agent.

6. VESTED COMMISSIONS. With regard to applications accepted by the Insurer before the termination of this Agreement, commissions are payable to the Agent after the termination of this Agreement, except in the case in which this Agreement was terminated for one or more of the reasons specified in Paragraph 14 (b) in which case no further commissions are payable.

7. BENEFICIARY. In the event this appointment is terminated by death, One Hundred Percent (100%) of any compensation which would otherwise be paid to Agent under this Agreement will be paid by the Insurer to

_____, if living, who bears the relationship of _____, otherwise to Agent's estate.

8. LIABILITY. Commissions will be subject to reduction by the Insurer for any amount due the Insurer from Agent or for any amount of claims made against the Insurer because of any action or inaction of Agent. This right of offset will also apply to any renewal Commissions. Agent will be jointly and severally liable for all debit balances on any Policies sold which in the Agent is contractually entitled to any override commission or service fee from the Insurer.

To secure the repayment to the Insurer of such debit balances, whether now existing or hereafter arising, Agent agrees that the Insurer may apply any and all existing future indebtedness of Agent to the Insurer against any earned commissions or other sums payable to Agent by the Insurer. To further secure such repayment, the Agent hereby assigns and grants to the Insurer a security interest in all commissions and any other sums payable which are now or may from time to time hereafter be due to Agent from the Insurer. The Insurer's right of off-set, as described herein, and security interest, as granted herein, constitute a paramount and prior lien on any and all commissions or any other sums payable to Agent by the Insurer and the Insurer may, at any time without notice, apply such commissions and other sums payable to such indebtedness.

9. REFUNDS. Should the Insurer for any reasons refund any premium on any policy secured hereunder, the Agent will repay, on demand, any commission received on that premium.

10. ASSIGNMENT. No assignment of any commission or any other amounts, or any portion thereof, due or to become due to Agent hereunder will be valid unless authorized in advance in writing by the Insurer, and any assignments so authorized will be subject to any and all indebtedness of Agent to the Insurer then existing or thereafter accruing.

11. FORFEITURE. Should Agent at any time endeavor to induce representatives of the Insurer to discontinue their Agreement, or its policyholders to relinquish their policies, Agent will forfeit any and all commissions that he/she might otherwise have acquired under any and all contracts with the Insurer.

In the event the renewal commissions due Agent are less than One Hundred Eighty Dollars (\$180.00) for any calendar year, any subsequent renewal commissions will be continued or discontinued at the option of the Insurer.

12. EXPENSES. Agent will pay all expenses incurred in the performance of this Agreement, and when requested by the Insurer, will furnish a bond of indemnity in such form and amount as approved by the Insurer.

13. ACCOUNTING. The Insurer will furnish Agent with monthly accounts showing commission payments made to Agent within such accounting period.

14. TERMINATION OF AGREEMENT.

(a) Termination Without Cause

- (1) Either party may terminate this Agreement without cause by giving 30 days written notice to the other of such termination.
- (2) This Agreement will automatically terminate, without notice, on the date of Agent's death.

- (b) Termination for Cause. This Agreement shall automatically terminate upon the occurrence of the following: Misappropriation of funds; Malfeasance or misfeasance or willful fraud; Material breach of any term of this Agreement, which breach is not cured within thirty (30) days after notice thereof; Selling or offering to sell, directly or indirectly, to any person or persons, insurance at any reduction from the regular table rates as furnished Agent by the Insurer; Violates the insurance laws of any state; Bankruptcy, insolvency or the assignment of its accounts for the benefit of creditors; Agent's replacement of any business written by Insurer with another insurance company; Misrepresenting the terms of any of Insurer's insurance product; Conviction of any criminal laws of the United States or any state in which the Agent solicits policies for Insurer; and Failure to maintain necessary insurance licenses in the Agent's states of operation.

Without further notice, for cause termination will work an immediate termination of this Agreement and an unconditional forfeiture of all rights, claims and demands whatsoever Agent has against the Insurer, accrued or to accrue under this or any previous contract and under any supplementary agreement or amendment, for commissions, both first year and renewal, or other compensation or payment, but nothing herein contained will be construed to affect any rights or claims of the Insurer against Agent.

Anything to the contrary in this Agreement notwithstanding, all indebtedness due to the Insurer from Agent will be immediately payable without demand or notice therefore by Agent to the Insurer upon termination of this Agreement regardless of whether such terminations is with or without cause.

In the event of termination, the Agent shall immediately turn over to the Insurer all undelivered policies, rate books, such correspondence and records, and other property of the Insurer as pertain to business produced by the Agent, or agencies recruited by Agent during the term of this Agreement, which are then in its possession.

Except as specifically provided in this Agreement, no commissions, service fees or other compensation of any kind will be payable to Agent following termination of this Agreement.

15. PRIVACY. In recognition of the importance of protecting consumer health and financial information and in consideration of the mutual understandings and undertakings set forth herein, the Parties agree:

- (a) The Agent understands and acknowledges that it may from time to time obtain information concerning the operations of FSL, such as Client and Proprietary Information as well as protected health and financial information (Protected Health Information), as defined by the Gramm-

Leach-Bliley Act, and the Health Insurance Portability and Accountability Act (HIPAA), as amended (hereinafter collectively referred to as Confidential Information). Protected Health Information, defined by 45 CFR 164.501, is subject to various statutory privacy standards, including state laws implementing Title V of the Gramm-Leach-Bliley Act, the Health Insurance Portability and Accountability Act (HIPAA), and regulations adopted thereunder by the Department of Health and Human Services (DHHS) (45 CFR Parts 160, 162, 164 and proposed Part 142).

- (b) Protected Health Information means health information, including that which is:

- (1) Transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium; and
- (2) Created or received by a health care provider, health plan, employer, or health care clearinghouse, either identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and relates to:
 - a. The past, present, or future physical or mental health or condition of an individual;
 - b. The provision of health care to an individual; or
 - c. The past, present, or future payment for the provision of health care to an individual.

- (c) The Parties will treat all such information in accordance with those standards and safeguards, and will use or disclose Confidential Information received from the other only for the purposes of the obtained services, or to comply with judicial process or any applicable statute or regulation.

- (1) Terms used in this Article are defined as follows:

- a. Administrative Safeguards means administrative actions, policies and procedures to manage the selection, development, implementation and maintenance of security measures to protect electronic Protected Health Information and to manage the conduct of the workforce in relation to the protection of Protected Health Information.
- b. Physical Safeguards means physical measures, policies, and procedures to protect the electronic information systems and related buildings and equipment from natural and environmental hazards and unauthorized intrusion.
- c. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- d. Technical Safeguards means the technology and the policy and procedures for its use that protects electronic Protected Health Information and controls access to it.

- (d) The Agent represents that it has, and is in compliance with, policies, standards and procedures for the protection of the privacy of consumer health and financial information obtained in the performance of its services and obligations under this Contract. The Agent agrees to comply with all applicable state and federal statutory and regulatory rules, guidelines and requirements governing the collection, use, disclosure, access, security and maintenance of consumer health and financial information. Agent will implement safeguards to prevent improper use and disclosure of Confidential Information. The Agent agrees to:

- (1) Implement Administrative Safeguards, Physical Safeguards, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic Protected Health Information that it creates, receives, and maintains, or transmits on behalf of the FSL.
- (2) If the Agent enters into a contractual agreement with any subcontractor, the agreement must require such subcontractor to implement reasonable and appropriate Safeguards to protect electronic Protected Health Information that is created, received, maintained, or transmitted as part of the Agent's performance of its responsibilities under this Contract.

- (e) In implementing the obligations contained herein, the Agent may utilize those security measures that allow the Agent to reasonably and

appropriately implement the standards and implementation specifications as specified in the Security Standards. In deciding which Administrative Safeguards, Physical Safeguards, and Technical Safeguards to implement, the Agent may take into account:

- (1) The Agent's size and capabilities;
 - (2) The cost and complexity of any prospective Administrative, Physical and Technical Safeguard;
 - (3) The Agent's technical infrastructure, hardware and software security capabilities; and
 - (4) The probability and criticality of potential risks to electronic Protected Health Information posed by not implementing a prospective Administrative Safeguard, Physical Safeguard or Technical Safeguard.
- (f) The Agent agrees that no other use or disclosure of information is permitted without prior written authorization of FSL, and if such authorization is given, then disclosure may be made only in the time and manner so designated.
- (g) The Agent agrees to provide access, at the written request of FSL, to Confidential Information in a Designated Record Set to FSL or to an individual to meet the requirements under 45 CFR 164.524. The Agent agrees to make any amendment(s) to Confidential Information in a Designated Record Set that FSL directs or agrees to pursuant to 45 CFR 164.526.
- (h) The Agent agrees to permit FSL and DHHS access to the Agent's policies, standards and procedures for the protection of privacy of consumer health and financial information, and further agrees to provide FSL written copies of such policies, standards and procedures upon written request. The Agent agrees to document any disclosures of such information to enable FSL to provide an accounting of the disclosures.
- (i) The Agent agrees to:
- (1) Notify FSL immediately in the event of any improper disclosure of non-public personal information about its insureds so that appropriate action can be taken;
 - (2) Mitigate, to the extent practicable, any harmful effect that is known to the Agent of a use or disclosure of such information; and

(3) Cure the breach or end the violation. If a cure is not possible, FSL may immediately terminate this Contract in accordance with Article XV Term of Contract and Termination of the Contract, and the provisions contained therein. If neither termination nor cure is feasible, FSL may report the violation to the Secretary of the Department of Health and Human Services at its discretion.

- (j) The Agent agrees to ensure that any agent/producer, including any subcontractor, to whom it provides such information, agrees to the same restrictions and conditions regarding the same.
- (k) In the event the Agent transmits or receives any Covered Electronic Transaction on behalf of the individual insureds, the Agent shall comply with all applicable provisions of the Standards for Electronic Transactions Rule to the extent required by law, and shall ensure that any sub-agents that assist the Agent in conducting Covered Electronic Transactions on behalf of the individual insureds agree in writing to comply with the Standards for Electronic Transactions Rule to the extent required by law. "Covered Electronic Transactions" means those electronic transactions as defined under 45 CFR § 160.103.
- (l) Upon termination of this Contract for any reason, the Agent shall ensure the same protections are provided to the protection of privacy of consumer health and financial information until such time FSL notifies the Agent to either return or destroy such information in accordance with FSL's directions.

16. SOLE AGREEMENT. This Agreement supersedes any and all previous agreements between the parties hereto which pertain to the solicitation of applications for any insurance mentioned herein, and the payment of commissions on premiums on policies issued by the Insurer under previous Agreement with Agent is not hereby impaired.

This Agreement cannot be changed by any verbal promise or statement by whomsoever made, and no written modification or change will bind the Insurer unless it is signed by the President, a Vice President or Secretary of the Insurer, which expresses an intention to modify or change this Agreement.

17. GOVERNING LAW. This Agreement shall be governed as to performance, administration and interpretation by the laws of the State of Missouri.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

Fidelity Security Life Insurance Company

By: _____

Title: _____

Date: _____

Agent's Name (please print)

By: _____

Agent's Signature

Title _____

Date: _____