

DANNY FISHER, CLU, ChFC
President

Danny@MrAnnuity.com
www.MrAnnuity.com

13140 Coit Road, Suite 102
Dallas, TX 75240-5797
972-238-1450
800-822-1450
Fax: 972-680-0562

NEW ERA LIFE (NEI)

Sales Agent Contracting Instructions

The following are requirements for you to become contracted as a sales agent with **NEW ERA LIFE INSURANCE COMPANY** in the State of **TEXAS**.

Complete and sign the following documents (Adobe.pdf fillable forms):

- 1) **APPLICATION FOR APPOINTMENT**
- 2) **SALES AGENT'S CONTRACT**
- 3) **ADDENDUM I: BUSINESS ASSOCIATE ADDENDUM**
- 4) **DIRECT DEPOSIT AUTHORIZATION**
- 5) You **must** complete the **Annuity Training for Agents** **BEFORE** you submit an Application.
After reviewing the **Annuity Training for Agents** section, fill in the blanks on the Certificate of Completion, print out the Certificate page, sign it and return the Certificate page with your other documents.
- 6) Certificate of **Anti-Money Laundering Training**

Provide copies of the following documents:

- Current copy of your **Group 1 Texas Insurance License**.
- Provide proof that you have completed the **Annuity Certification Training Course (Texas)**.

If you have NOT completed this course, you **must** do so **BEFORE** submitting an Annuity Application. You may complete the course at www.WebCE.com or www.SuccessCE.com.

As of 09/01/2011, 8 hours of annuity specific training must be completed during the agent's 2-year Group 1 licensing period. If you have completed this additional training, please provide proof of completion. If you are exempt from the additional training, please provide a copy of the exemption letter you received from the Texas Department of Insurance.

A \$10.00 appointment fee for the Texas Department of Insurance will be deducted from your first commission check.

Send **ALL** of the above forms to **The Fisher Agency** along with your first annuity application. Do Not send as a Fax. Mail or Email are acceptable.

Thereafter, send all annuity applications directly to New Era Life.

Call us if you have any questions.

Thank you!



Sales & Service Forms are available on our website: www.MrAnnuity.com

Appointment Checklist

Agent Name: _____ Date: _____

Please answer the following questions:

How many Medicare Supplement applications did you submit and have issued in the last 2 years? _____

What **percentage** of applications in the question above were: ___ Underwritten ___ Guaranteed Issue
 ___ Open Enrollment ___ Disability

Hierarchy	
Agent/Agency: _____	Agent #/ Code: _____
Agent/Agency: _____	Agent #/ Code: _____
Sales Rep: _____	Agent #/ Code: _____

Please check the appropriate box for your choice of appointment.			
State & Products	Co.	Fee	Appoint
Alabama (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	\$40.00	<input type="checkbox"/>
Alabama WL	PALIC	\$40.00	<input type="checkbox"/>
Arizona (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	N/A	<input type="checkbox"/>
Arizona WL	PALIC	N/A	<input type="checkbox"/>
Arkansas (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	N/A	<input type="checkbox"/>
Arkansas WL	PALIC	N/A	<input type="checkbox"/>
Georgia WL ANNU	NELIC	\$16.00	<input type="checkbox"/>
Georgia WL ANNU	NELICM	\$16.00	<input type="checkbox"/>
Georgia (A, C, F, ^{HD} F, G, ^{HD} G, N) ANNU	PALIC	\$16.00	<input type="checkbox"/>
Idaho (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	N/A	<input type="checkbox"/>
Illinois (A, C, D, F, ^{HD} F, G, M, N)	NELICM	N/A	<input type="checkbox"/>
Illinois WL MA GAP	PALIC	N/A	<input type="checkbox"/>
Indiana (A, C, F, ^{HD} F, G, ^{HD} G, N) ANNU	NELIC	N/A	<input type="checkbox"/>
Indiana ANNU	NELICM	N/A	<input type="checkbox"/>
Indiana ANNU	PALIC	N/A	<input type="checkbox"/>
Iowa (A, C, F, ^{HD} F, G, N) WL MA GAP	PALIC	\$10.00	<input type="checkbox"/>
Kansas (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	\$5.00	<input type="checkbox"/>
Kansas WL	PALIC	\$5.00	<input type="checkbox"/>
Louisiana WL *Agent	NELIC	\$30.00	<input type="checkbox"/>
Louisiana WL *Agency	NELIC	\$100.00	<input type="checkbox"/>
Louisiana (A, C, F, ^{HD} F, G, ^{HD} G, N) *Agent	PALIC	\$30.00	<input type="checkbox"/>
Louisiana (A, C, F, ^{HD} F, G, ^{HD} G, N) *Agency	PALIC	\$100.00	<input type="checkbox"/>
Maryland (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	N/A	<input type="checkbox"/>
Michigan (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	\$5.00	<input type="checkbox"/>
Mississippi (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	\$25.00	<input type="checkbox"/>
Mississippi WL MA GAP	PALIC	\$25.00	<input type="checkbox"/>

Please check the appropriate box for your choice of appointment.			
State & Products	Co.	Fee	Appoint
Nebraska (A, C, D, F, ^{HD} F, G, ^{HD} G, N) WL MAGAP	PALIC	\$10.00	<input type="checkbox"/>
Nevada (A, F, ^{HD} F, G, N)	PALIC	\$15.00	<input type="checkbox"/>
New Jersey (A, C, D, F, ^{HD} F, G, ^{HD} G, M, N)	PALIC	\$25.00	<input type="checkbox"/>
New Mexico (A, C, D, F, ^{HD} F, G, ^{HD} G, N) WL	PALIC	\$20.00	<input type="checkbox"/>
North Carolina (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELICM	\$10.00	<input type="checkbox"/>
North Carolina WL MA GAP	PALIC	\$10.00	<input type="checkbox"/>
Ohio (A, C, F, ^{HD} F, G, ^{HD} G, N)	NELIC	\$15.00	<input type="checkbox"/>
Ohio WL	PALIC	\$15.00	<input type="checkbox"/>
Oklahoma (A, C, F, ^{HD} F, G, ^{HD} G, N, M)	NELIC	\$30.00	<input type="checkbox"/>
Oklahoma WL	PALIC	\$30.00	<input type="checkbox"/>
Pennsylvania WL ANNU	NELIC	\$15.00	<input type="checkbox"/>
Pennsylvania (A, B, C, D, F, ^{HD} F, G, ^{HD} G, N) ANNU	NELICM	\$15.00	<input type="checkbox"/>
Pennsylvania WL MA GAP ANNU	PALIC	\$15.00	<input type="checkbox"/>
South Carolina WL	NELIC	N/A	<input type="checkbox"/>
South Carolina (A, C, F, ^{HD} F, G, ^{HD} G, N) MA GAP	PALIC	N/A	<input type="checkbox"/>
South Dakota Resident (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	\$10.00	<input type="checkbox"/>
South Dakota Non-Resident (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	\$20.00	<input type="checkbox"/>
Tennessee WL	NELIC	\$15.00	<input type="checkbox"/>
Tennessee (A, C, F, ^{HD} F, G, ^{HD} G, N) WL	NELICM	\$15.00	<input type="checkbox"/>
Texas WL ANNU	NELIC	\$10.00	<input type="checkbox"/>
Texas WL ANNU	NELICM	\$10.00	<input type="checkbox"/>
Texas (A, C, F, ^{HD} F, G, ^{HD} G, N) MA GAP ANNU	PALIC	\$10.00	<input type="checkbox"/>
Utah (A, D, F, ^{HD} F, G, ^{HD} G, N) WL	PALIC	N/A	<input type="checkbox"/>
West Virginia (A, F, ^{HD} F, G, ^{HD} G, N)	PALIC	\$25.00	<input type="checkbox"/>
Wisconsin Resident (Basic MS & Riders)	PALIC	\$16.00	<input type="checkbox"/>
Wisconsin Non-Resident (Basic MS & Riders)	PALIC	\$40.00	<input type="checkbox"/>

Letters indicates Medicare Supplement plans offered in that state
WL indicates that Whole Life Final Expense is offered
MA GAP indicates that Medicare Advantage Gap is offered
ANNU indicates that Annuity is offered



NEW ERA LIFE INSURANCE COMPANY

NEW ERA LIFE INSURANCE COMPANY OF THE MIDWEST

PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY

FOR HOME OFFICE USE ONLY

Agent # _____

Eff. Date _____ Code _____

State _____ Contr Type _____ FEP _____

APPLICATION FOR APPOINTMENT

- 1. Print or type answers to all questions
2. Send to: New Era Life Insurance Company
P.O. Box 4884
Houston, Texas 77210-4884

- 3. Be sure to attach
• Copy of current resident license and current non-resident license for each state you are requesting appointment.
• W-9 form with correct tax information

AGENT NAME _____

CORPORATION NAME _____

RESIDENCE ADDRESS _____

BUSINESS ADDRESS _____

CITY _____ STATE _____ ZIP _____

CITY _____ STATE _____ ZIP _____

PHONE NO. _____ FAX _____

PHONE NO. _____ FAX _____

SOCIAL SECURITY NO. _____

T.I.N. _____

DATE OF BIRTH _____

EMAIL _____

INDIVIDUAL LICENSED FOR: [] Life [] A & H

CORPORATION LICENSED FOR: [] Life [] A & H

ALL MAIL SENT TO: [] Home [] Business

PAY COMMISSIONS TO: [] Self [] Corporation or Agency (If Corporation or Agency, please include Assignment Form)

LICENSE INFORMATION

Resident State License Number: _____ Expiration Date: _____ National Producer Number _____

NON-RESIDENT LICENSE(S) CURRENTLY IN FORCE

Table with 5 columns: STATE, LIFE, A&H, LICENSE NO., EXP. DATE

LIST COMPANIES YOU CURRENTLY REPRESENT _____

- Has your license ever been suspended or revoked?
Have you ever been charged with embezzlement, theft, or any type of felony?
Have you ever appeared before any State Insurance Board or Committee?
Has a justified complaint ever been filed against you with an Insurance Department?
Has any agency contract, to which you were a party, ever been canceled by an insurance company?
Has a suit or judgment ever been brought against you in connection with your insurance activities?
Have you ever been convicted of a crime?
Are you currently in debt to any insurance company or federal agency?

Please attach an explanation for any "Yes" answers to the above questions.

INSURANCE EXPERIENCE

(Life/Health Companies)

Name _____ Position _____ From _____ To _____

Address _____ Supervisor _____

Name _____ Position _____ From _____ To _____

Address _____ Supervisor _____

How many years have you been in the insurance industry? _____


Circle professional designations earned or indicate courses completed: CLU ChFC CFP CPCU RHU FLMI

Have you ever represented New Era Life, New Era Life of the Midwest, or Philadelphia American Life? Yes No

FAIR CREDIT REPORTING ACT DISCLOSURE

I understand that as a part of the normal processing procedure, an investigative consumer report may be prepared whereby information is obtained through personal interviews with my neighbors, friends, or any others who are acquainted with me or my agency. This inquiry includes information regarding my character, general reputation, personal characteristics and mode of living. I have a right to make a written request within a reasonable period of time to receive detailed information about the nature and scope of this investigation.

Signature _____ Date _____

Recruiter's Signature  _____ Date _____

COPY OF CURRENT LICENSE AND W-9 FORM MUST BE ATTACHED.

Recruiter's Comments: _____

New Era Life Insurance Company • Philadelphia American Life Insurance Company • New Era Life Insurance Company of the Midwest
11720 Katy Freeway #1700 • Houston, TX 77079 • P.O. Box 4884 • Houston, TX 77210-4884
(281) 368-7200 • (800) 713-4680 • Fax (281) 368- 7282



P.O. Box 4884 ♦ Houston, TX 77210-4884
 11720 Katy Freeway ♦ Suite 1700 ♦ Houston, TX 77079
 1-800-713-4680



SALES AGENT CONTRACT

SECTION 1. PARTIES

This Sales Agent Contract (referred to as "Contract") is made by and between (each Company selected below that applies). The Company is determined by the state(s) you wish to be appointed in, reference the check list.

- NEW ERA LIFE INSURANCE COMPANY (referred to as "Company" singularly or collectively)
- NEW ERA LIFE INSURANCE COMPANY OF THE MIDWEST (referred to as "Company" singularly or collectively)
- PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY (referred to as "Company" singularly or collectively)

and you, (Print Your Name Here) _____, and shall take effect on the date stated on page 3 of this document. This contract supersedes any prior contract(s) that you may have had with Company, except for terms of prior contract(s) that pertain to compensation, vesting, lien(s), and replacement of policies on business written prior to the effective date of this Contract.

SECTION 2. AUTHORITY

- A. Appointment:** We hereby appoint you to solicit applications for policies of life and health insurance and annuity contracts, to deliver the contracts, to collect the first premiums thereon, and to service the business.
- B. Relationship:** Nothing contained herein is intended or shall be construed to create the relationship of employer/employee or agent/principle between you and the Company. The relationship between you and the Company shall be at all times shall be one of independent contractor. You shall be free to exercise your own judgment as to the time and manner of performing the services authorized by this Agreement subject to such rules and regulations as may be adopted from time to time by us respecting the conduct of business and not interfering with your freedom of action. You will be an independent contractor and nothing contained herein shall be construed as creating the relationship of employer and employee between you and us.
- C. Responsibility:** You agree to abide by the terms and conditions of this Agreement and any sales manuals and/or rules and practices of NEL and agree not to solicit or submit applications unless you are properly licensed. Obtain and maintain training required by any local, state or federal law, code, rule or regulation, including but not limited to Anti-Money Laundering training, and timely provide verification of such training to the Company or upon request by the Company.
- D. You agree to abide by all applicable local, state, and federal laws and regulations in conducting business under this Agreement.**

You shall endeavor to promote our interests and those mutual interests to you and us as contemplated by this Agreement and shall at all times conduct yourself so as not to adversely affect the business reputation or good standing of either yourself or us.

You shall indemnify and hold us harmless from any and all expenses, costs, causes of action, and/ or damages resulting from or growing out of any unauthorized act by you.

SECTION 3. COMPENSATION

Commissions - We have no obligation to you for commissions, expense allowances or any form of compensation whatsoever in connection with the services anticipated under this Agreement or which you may perform and expenses incurred by you in the solicitation of applications for insurance issued by us. You understand that you are under direct contract with your General Agent/Broker who has agreed to compensate you for such services or expenses.

SECTION 4. CHANGE OR TERMINATION

- A. Changes** - We may at any time and from time to time change or modify this Agreement.
- B. Voluntary Termination** - Either of the parties hereto may terminate this Agreement, without standing any cause, by mailing to the other party at their last known address a notice of termination which shall be effective fifteen days from mailing.
- C. Automatic Termination** - This Agreement terminates automatically (1) upon your death, (2) upon revocation, termination or non-renewal of your agent's / or broker's license(s), (3) if you are a partnership, upon the death of any partner or any change in the partners composing the firm, or dissolution of the partnership for any reason, (4) if you are a corporation upon the dissolution of the corporation or disqualification of the corporation to do business under applicable state laws or (5) upon your filing a petition for bankruptcy or one being filed for you or your being adjudged a bankrupt or by your executing a general assignment for the benefit of creditors.
- D. Termination for Cause** - We may terminate this Agreement for cause by mailing notice of such termination to you at your last known address and that termination shall be effective upon mailing. Reason for termination will include but not limited to:
 - a. Failure to comply with all of the rules, regulations and instructions of the Company pertaining to the conduct of business covered in this Agreement.
 - b. Failure to obtain and maintain training required by any local, state or federal law, code, rule or regulation, including but not limited to Anti-Money laundering training, and timely provide verification of such training to the Company or upon request by the Company.

In determining cause for termination we shall use discretion in gathering facts and information and notify you of our decision in the termination letter written to you.

SECTION 5. GENERAL PROVISIONS

- A. Bonding** - You agree to furnish and maintain a satisfactory surety or indemnity bond should one be required by law or should we require it.
- B. Waiver** - Our forbearance or failure to exercise any rights hereunder or insist upon strict compliance herewith shall not constitute a waiver of any right condition or obligation of you under this Agreement.
- C. Printed Matter** - Forms, circulars and other printed matter necessary to conduct the business anticipated hereunder with respect to our policies, contracts or agent's agreements will be furnished, Advertising of any nature not supplied by us shall be used by you only after you have received our written approval. Likewise, you may use our name and trademark only with our written approval.
- D. Collection of Money** - You are not authorized to accept any premium for us except the first policy year premiums, unless we provide otherwise in writing. Receipts for premiums must be on the forms furnished by us for that purpose. You shall immediately remit to us all money received or collected on our behalf, and such money shall be considered as our funds held in trust by you. If a check upon which you are the maker is dishonored upon presentation for payment by us, you will become indebted to us for that amount.
- E. Rights of Rejection and Settlement** - We reserve the right to reject any and all applications and collections submitted hereunder, to discontinue writing any form of policy, to take up and cancel a policy and return the premium or any part thereof.
- F. Limitations of Authority** - Your authority shall extend no further than as is stated in the Agreement. You shall not (1) make, alter, modify, waive or change any question, statement or answer on any application for insurance, the terms of any receipt given thereon, or the terms of any policy or contract; (2) extend or waive any provision of any policy or contract of the time for payment of premiums; (3) guarantee dividends; (4) deliver any policy unless the applicant therefor is at the time in good health and insurable condition; (5) incur any debts or liability for or against us; or (6) receive any money for us except as herein stated or as you may be specifically authorized.
- G. Prior Agreements** - This Agreement shall supersede any and all prior agreement(s) between you and us in relation to policies issued through you after this Agreement becomes effective; it being understood, however, that all obligations to us previously incurred or assumed by you and liens created in connection therewith still exist and shall attach hereto.
- H. Rebating** - You shall not, under any circumstance whatsoever, pay or allow any rebate of premiums or commission in any manner, directly or indirectly nor shall you accept business from or pay any commissions to (1) any producer whose name does not duly and rightfully appear on the application or (2) any person not a licensed representative of us.
- I. Partnerships** - When you are a partnership, any reference made to you as an individual shall be deemed to mean the partners both jointly and severally as applicable.

- J. Services of Process** - You shall transmit to our General Counsel at our Home Office by certified mail within 24 hours after receipt, any paper served upon you in connection with any proceeding, hearing or action whether legal or otherwise by or against us. Any failure on your part to comply with this provision which causes additional loss or expense to us shall be reimbursed by you to us.
- K. Entire Agreement** - The foregoing represents the entire agreement between the parties and we shall not be bound by any other promise, agreement, understanding or representation unless it is made by an instrument in writing, signed by the parties or is in the form of a written notice from us to you which expresses by its terms an intention to modify this Agreement.
- L. Effective Date** - This Agreement shall take effects as shown below, if you have been duly licensed in the appropriate jurisdiction(s) to perform the functions anticipated herein, and if it is executed by all parties below. This Agreement shall be governed by the laws of the State of Texas.
- M. Severability and Saving Clause** - If it should appear that any term of this contract is in conflict with any rule of law, statute, or regulation in effect in any state where you write or solicit business for us, then any such term shall be deemed inoperative and null and void insofar as it may be in conflict therewith and shall be deemed modified to conform to such rule of law, statute, or regulation. The existence of any such apparent conflict shall not invalidate the remaining provisions of this contract.

 PRINT NAME OF SALES REPRESENTATIVE
 (Name as it appears on Insurance License)

Individual Partnership Corporation

 SIGNATURE OF SALES REPRESENTATIVE / BROKER
 (Officer, if a Corporation)

 SIGNATURE OF PARTNER OR CORPORATE
 SECRETARY (as appropriate)

 SIGNATURE DATE

 NAME OF GENERAL AGENT / BROKER

 SIGNATURE OF GENERAL AGENT

 SIGNATURE DATE

 EFFECTIVE DATE OF AGREEMENT

 By Authorized Office of Houston, TX

 TITLE

**Addendum I
Business Associate Addendum**

This Business Associate Addendum ("BA Addendum") effective the date of the Sales Agent Contract to which it is attached, amends the Sales Agent Contract between New Era Life Insurance Companies (including New Era Life Insurance Company, New Era Life Insurance Company of the Midwest, Philadelphia American Life Insurance Company, Life of America Insurance Company and New Horizon Benefit Administrators, Inc.), hereinafter referred to as the Covered Entity and the Agent named in the Sales Agent Contract, hereinafter referred to as the Business Associate.

Covered Entity and Business Associate hereby acknowledge that the Sales Agent Contract requires Business Associate to receive, use or disclose PHI, as defined below, in the course of performing duties of the Sales Agent Contract or to create PHI in the course of such duties.

Both Covered Entity and Business Associate agree to comply in all their business transactions with the Federal Health Privacy and Security Requirements, as defined below and as applicable to each party. In the event of conflicting terms or conditions of the Sales Agent Contract or any other written or oral agreement entered by the parties, the terms of the BA Addendum shall govern.

1. Definitions.

- a. "Breach" means the acquisition, access, use or disclosure of Unsecured PHI in a manner that violates the Privacy Rule or Security Rule. A breach does not include:
 - (1) unintentional acquisition, access, or use of Unsecured PHI by an employee or other person working under the authority of the Covered Entity or Business Associate, if the individual was permitted to access PHI generally but not authorized to access the particular PHI accessed and if the action did not result in further impermissible use or disclosure;
 - (2) inadvertent disclosure of Unsecured PHI by an individual authorized to access and use PHI by the Covered Entity or Business Associate to another individual at the same Covered Entity or Business Associate who is permitted to access PHI generally but not authorized to access the particular PHI accessed, if the action did not result in any further impermissible use or disclosure;
 - (3) any brief, fleeting or other disclosure where the Covered Entity or Business Associate has a good faith belief that the unauthorized person who received Unsecured PHI cannot reasonably have been able to retain the PHI.
- b. "Breach Rules and Guidance" mean federal regulations and guidance promulgated by the Secretary to implement HITECH Breach notification requirements and to define how to maintain PHI so that it is not Unsecured, including the Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the Health Information Technology for Economic and Clinical Health Act and the Genetic Information Non-Discrimination Act, 78 Fed. Reg. 5566 (Jan. 25, 2013), and Guidance Specifying the Technologies and Methodologies that Render PHI Unusable, Unreadable, or Indecipherable, 74 Fed. Reg. 19006 (April 21, 2009).
- c. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR § 164.501 and shall include enrollment records or any other records used by Covered Entity to make decisions about individuals.
- d. "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.
- e. "Federal Health Privacy and Security Requirements" mean the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, the Privacy Rule, the Security Rule, HITECH and the Breach Rules and Guidance.
- f. "HITECH" means the Health Information Technology for Economic and Clinical Health Act as set forth in Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5).
- g. "Individual" shall have the same meaning as the term "individual" in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- h. "Person" means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
- i. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
- j. "PHI" shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- k. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR § 164.103.

- I. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- m. "Security Incident" shall have the same meaning as the term "Security Incident" in 45 CFR § 164.304 of the Security Rule and shall include attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system. A Security Incident may or may not result in a Breach, depending on whether the circumstances meet the definition of a Breach.
- n. "Security Rule" means the Security Standards for the Protection of Electronic PHI at 45 CFR Part 164, Subpart C including, but not limited to 45 CFR §§ 164.308(b) and 164.314(a).
- o. "Unsecured PHI" means PHI that is not rendered unusable, unreadable or indecipherable to unauthorized persons, because:
 - (1) If electronic PHI, either at rest or in motion, it has not been encrypted using National Institute of Standards and Technology (NIST)-approved encryption techniques, or cleared, purged or destroyed using NIST-approved techniques;
 - (2) If PHI in paper, film or other hard copy media, it has not been shredded or destroyed such that the PHI cannot be read or otherwise cannot be reconstructed.
- p. Other terms used, but not defined, in this BA Addendum shall have the same meaning as those terms in the Federal Health Privacy and Security Requirements or as defined in the Sales Agent Contract.

2. Obligations and Activities of Business Associate.

- a. General Rule. Business Associate agrees to not use or disclose PHI other than as permitted or required by this BA Addendum and the Sales Agent Contract or as Required By Law.
- b. Federal Health Privacy and Security Requirements applicable to Business Associate. Business Associate acknowledges that effective February 17, 2010, Business Associate is directly subject to the privacy and security requirements of HITECH, the Breach Rules and Guidance, the Security Rules and the provisions of the Privacy Rules relating to requirements for business associate agreements. Business Associate agrees to take steps necessary to comply with applicable Federal Health Privacy and Security Requirements in relation to PHI received, used or disclosed in the course of performing duties of the Sales Agent Contract or PHI created in the course of such duties.
- c. Implementation of Security and Privacy Program. In accordance with requirements of the Security Rule and HITECH, Business Associate shall maintain a written information privacy and security program that includes administrative, technical and physical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of PHI in electronic form or any other medium. Such program shall be reasonably appropriate to the size and complexity of Business Associate's operations and the nature and scope of its activities.
- d. Reporting Security Incidents and Possible Breaches.
 - (1) Business Associate acknowledges that for the purposes of the Breach Rules and Guidelines, a Breach by the Business Associate in relation to PHI received or maintained on behalf of the Covered Entity is treated as being discovered by the Covered Entity on the day it is discovered by the Business Associate.
 - (2) Business Associate agrees to report in writing to the Covered Entity as soon as reasonably possible and no later than 60 calendar days after discovery of:
 - (i) any Security Incident;
 - (ii) any unauthorized access, use or disclosure of PHI that would constitute a Breach.
 - (I) Business Associate shall state in its notice why it believes the unauthorized access does or does not compromise the security or privacy of the PHI.
 - (II) The notice shall include all information that Covered Entity would need to report the breach to individuals, HHS or the media under HITECH and Breach Rules and Guidance, including:
 - The identification of each individual whose unsecured PHI has been or is reasonably believed by Business Associate to have been accessed, acquired, used, or disclosed during the Breach;
 - What happened, including the date of the Breach and the date of the discovery of the Breach, if known;
 - What types of PHI were involved in the Security Incident or unauthorized access, use or disclosure—for example, medical records, SSN, etc.; and
 - Any steps that individuals should take to protect themselves from potential harm resulting from the Breach; and
 - (iii) any other use or disclosure of PHI not authorized by this Addendum of which it becomes aware.
- e. Mitigation of Harm. Business Associate agrees to assist Covered Entity, at Covered Entity's request and direction, to mitigate, to the extent practicable, any Breach, Security Incident or other harmful effect that is known to Business

Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this BA Addendum and/or the Sales Agent Contract.

- f. Subcontractor Requirements. Business Associate agrees to ensure that any subcontractor to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this BA Addendum and the Sales Agent Contract to Business Associate with respect to such information.
- g. Individual's Access to PHI. If Business Associate maintains part of a Designated Record Set for Covered Entity, Business Associate agrees to provide access at the request of Covered Entity, in the time and manner specified by Covered Entity, to any PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR § 164.524 of the Privacy Rule and, if Business Associate maintains Electronic Health Records in a Designated Record Set, as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.524.
- h. Individual's Request for Amendments to PHI. If Business Associate maintains part of a Designated Record Set for Covered Entity, Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 of the Privacy Rule at the request of Covered Entity or an Individual in the time and manner specified by Covered Entity.
- i. Audits; Access to Records Relating to PHI. Business Associate may be subject to periodic compliance audits by the Secretary. Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a time and manner specified by Covered Entity or by the Secretary, for purposes of the Secretary determining Covered Entity's or Business Associate's compliance with applicable Federal Health Privacy and Security Requirements.
- j. Accounting for Disclosures. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528 of the Privacy Rule and, if Business Associate maintains Electronic Health Records, as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.528.
- k. Providing Accounting of Disclosures to Covered Entity. Business Associate agrees to provide to Covered Entity or an Individual, in time and manner specified by Covered Entity, information collected in accordance with the preceding subsection of this BA Addendum to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528 of the Privacy Rule and, if Business Associate maintains Electronic Health Records in a Designated Record Set, as necessary to satisfy Covered Entity's obligations under 45 CFR § 164.528.
- l. Additional HITECH Privacy and Security Provisions Applicable to Business Associates. In accordance with §§13405 and 13406 of HITECH, Business Associate shall comply with the following provisions:
 - (i) To the extent Covered Entity informs Business Associate that it has agreed to honor requests by an individual to restrict use or disclosure for treatment, payment or health care operations as permitted by 45 CFR § 164.522 of the Privacy Rule, or that it must comply under HITECH with requests on restrictions of disclosures to health plans of PHI when the individual already has paid the provider in full, Business Associate shall comply with such restrictions.
 - (iii) Except in regard to payment for work performed under the Sales Agent Contract, Business Associate shall not receive remuneration in exchange for the disclosure of PHI, including disclosures made under the exception to the definition of marketing in 45 CFR § 164.501 of the Privacy Rule.

3. Permitted Uses and Disclosures by Business Associate.

- a. As necessary to perform duties of the Sales Agent Contract. Except as otherwise limited in this BA Addendum and the Sales Agent Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Sales Agent Contract, provided that such use or disclosure would not violate the Federal Health Privacy and Security Requirements if done by Covered Entity. In consultation with Covered Entity in accordance with HITECH §13405, Business Associate shall limit its requests for, uses or disclosures of PHI to a limited data set, as defined by 45 CFR § 164.514(e)(2) of the Privacy Rules, or if reasonably necessary for Business Associate to perform its duties under the Sales Agent Contract, to the minimum amount necessary to accomplish the intended purpose of such request, use or disclosure, as described in 45 CFR § 164.514(d) of the Privacy Rule.
- b. Use for Business Associate's Own Management and Administration. Except as otherwise limited in this BA Addendum or the Sales Agent Contract, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- c. Disclosure for Business Associate's Own Management and Administration. Except as otherwise limited in this BA Addendum and the Sales Agent Contract, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- d. To Provide Data Aggregation Services. Except as otherwise limited in this BA Addendum and the Sales Agent Contract, Business Associate may use PHI to provide any data aggregation services requested by Covered Entity, as permitted by 45 CFR § 164.504(e)(2)(i)(B) of the Privacy Rule.
- e. To Report Violations of Law. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR § 164.502(j)(1) of the Privacy Rule.

4. Obligations of Covered Entity.

- a. Any Limitations in Notice of Privacy Practices. Covered Entity shall notify Business Associate of any limitation(s) in Covered Entity's notice of privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- b. Revocation of Permission or Consent re PHI. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- c. Agreed Upon Restrictions re PHI. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- d. No Request for Impermissible Uses or Disclosures. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity, except, in accordance with section 3 of this BA Addendum, Covered Entity agrees that Business Associate may use or disclose PHI for data aggregation or management and administrative activities of Business Associate.

5. Response to Material Breach; Term and Termination.

- a. Term. The Term of this BA Addendum shall be effective as of the date specified in the heading of the BA Addendum, and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the provisions in subsection 5.c, below.
- b. A Party's Response to Material Breach by the Other Party. Upon a party's knowledge of a material breach of this BA Addendum by the other party, the party discovering the BA Addendum breach shall provide notice and a reasonable opportunity to cure to the breaching party, if cure is possible. If cure is not possible, after reasonable opportunity for review of the circumstances by both parties, the party discovering the material breach may terminate the BA Addendum. If neither termination nor cure is possible, the party discovering the BA Addendum breach may report the breach to the Secretary.
- c. Effect of Termination.
 - (1) Except as provided in paragraph (2) of this subsection, upon termination of the Sales Agent Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors of Business Associate. Business Associate shall retain no copies of the PHI.
 - (2) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon such determination, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

6. Payment for Breach Notifications.

Business Associate shall assume financial responsibility for expenses associated with providing notice of Breaches caused solely by the Business Associate or any subcontractor of the Business Associate.

7. Penalties and Sanctions by the Secretary.

Business Associate acknowledges that in accordance with the Federal Health Privacy and Security Requirements as modified by HITECH, Business Associate may be subject to sanctions and penalties imposed by the Secretary for violating provisions of the Federal Health Privacy and Security Requirements applicable to Business Associate.

8. Miscellaneous.

- a. Regulatory References. A reference in this BA Addendum to a section in the Federal Health Privacy and Security Requirements means the section as in effect or as amended.
- b. Amendment. The Parties agree to take such action as is necessary to amend this BA Addendum from time to time as is necessary for compliance with the requirements of the Federal Health Privacy and Security Requirements.
- c. Survival. The respective rights and obligations of Business Associate under subsection 5.c of this BA Addendum shall survive the termination of this Addendum.

- d. Interpretation. Any ambiguity in this BA Addendum shall be resolved to permit Covered Entity and Business Associate to comply with the Federal Health Privacy and Security Requirements.
- e. Section Headings. The section headings in this BA Addendum are for convenience only; they form no part of the terms and conditions of the BA Addendum and do not affect its interpretation.
- f. No third-party beneficiaries. This BA Addendum is intended for the sole benefit of Business Associate and Covered Entity and does not create any third-party beneficiary rights, except as to the extent that the Federal Health Privacy and Security Requirements require the Secretary or any other person to be a third-party beneficiary to this BA Addendum.
- g. Severability. In the event that any provision of this BA Addendum is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this BA Addendum will remain in full force and effect. In addition, in the event a party believes in good faith that any provision of this BA Addendum fails to comply with the then-current requirements of the Federal Health Privacy and Security Requirements, such party shall so notify the other party in writing. For a period of up to thirty days, the parties shall address in good faith such concern and shall amend the terms of this BA Addendum if necessary to bring it into compliance. If after such thirty day period this BA Addendum fails to comply with the Federal Health Privacy and Security Requirements with respect to the concern(s) raised pursuant to this paragraph, then either party has the right to terminate this BA Addendum upon written notice to the other party.

The parties have caused this BA Agreement to be executed on the dates specified below.

Covered Entity

Business Associate

New Era Life Insurance Companies

Signature: _____

Signature: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____



VERIFICATION OF ANTI-MONEY LAUNDERING TRAINING

Money laundering has been identified as a serious threat to the United States economy and financial system such that Congress has enacted numerous laws governing and criminalizing this activity. These laws and regulations apply to banks and financial institutions, which include insurance companies engaged the sale of certain products defined as “covered products.” “Covered Products” include permanent life insurance, annuities and other insurance products with “cash value” or “investment features.” Group policies or annuities are not covered products.

New Era Life Insurance Company, Philadelphia American Life Insurance Company and New Era Life Insurance Company of the Midwest (hereafter, collectively, “Company”) is committed to combating money laundering. In an effort to prevent such practices, we will actively search for suspicious activity. If suspected, the Company will review all documentation and make a determination as to whether a Suspicious Activity Report (SAR) should be filed with the appropriate agency or authority.

The Company has a Compliance Officer as required by the Anti-Money Laundering statutes (“AML Officer”). The AML Officer is responsible for reviewing recommendations and determining if a SAR should be filed.

You are valuable to the Company. Likewise, insurance agents and brokers are an integral part of the Company’s anti-money laundering plan. They are typically involved in sales operations and are therefore in direct contact with customers. As a result, the agent or broker will often be in a critical position of knowledge as to the source of investment assets, the nature of the clients, and objectives for which the insurance products are being purchased. Agents and brokers have an important role to play in assisting the Company to prevent money laundering.

The Company has a written Anti-Money Laundering and Suspicious Activity Reporting Policy. It contains those events considered to be “Red Flag” events of Suspicious Activity. In an effort to ensure that the Company is in compliance with the mandates, rules and regulations of the Anti-Money Laundering statute, it is necessary that you receive the requisite Anti-Money Laundering training associated with the sale of “covered products.” If you have received such training from another financial institution that markets “Covered Products” under its AML Program or from a qualified vendor or third party, please execute this verification. If you have not received such training to date from an authorized source, please obtain such training within sixty (60) days and return the executed verification to the attention of the Marketing Department at the address shown below. If you fail to receive such training and/or provide verification, you may be subject to having your rights to write for Company revoked.

For your convenience, Company has posted a copy of its Anti-Money Laundering and Suspicious Activity Reporting Policy on its website under the agent account for your review. Please review the Company’s Policy at your earliest convenience so as to become familiar with those events considered to be “Red Flag” events and “Suspicious Activity” which requires further inquiry and possible reporting. Please note that the review of the Policy is not a substitute for formal training.

I, _____, hereby affirm that I received Anti-Money Laundering Training from another institution who issues insurance products identified as “Covered Products” or from a qualified third party on or about the _____ day of _____, _____.

I also agree to monitor all insurance and/or annuity transactions for evidence of potential money laundering and refer any suspect transactions to the Company for further review and action.

Date: _____

By: _____
Signature

Printed Name: _____

New Era Life Insurance Companies • P.O. Box 4884 • Houston, TX 77210



New Era Life Insurance Company
New Era Life Insurance Company of the Midwest
Philadelphia American Life Insurance Company

PRE-AUTHORIZED CHECK (PAC)
Appointment Fee Payment Form
 (BANK DRAFT)

Bank Name	Name On The Bank Account
------------------	---------------------------------

Name as it appears on your bank account:

AUTHORIZATION TO MY BANK

As a convenience to me, I hereby request and authorize you to pay and charge to my account, checks or electronic debits drawn on my account by and payable to the order of New Era Life Insurance Companies, provided there are sufficient collected funds in said account to pay the same upon presentation. I understand this will be for the purpose of collecting state specific appointment fees upon my appointment approval and state specific appointment renewal fees. I agree that if any such charge be dishonored, whether with or without cause and whether intentionally or inadvertently, the bank or credit card company shall be under no liability.

By typing your name in the signature box below, you agree that your digital signature shall have the same legal effect as if written by hand.

Signature	Date
ROUTING NUMBER	ACCOUNT NUMBER

SAMPLE CHECK

PAY TO THE ORDER OF

FOR

5224

Date

\$

DOLLARS

ROUTING NUMBER

1231234

ACCOUNT NUMBER

123 111 5555

CHECK NUMBER

5224