



**The following are requirements for you to become contracted as an agent
With Philadelphia American Life**

<input type="checkbox"/>	Application for Appointment (Please complete BOTH sides and SIGN)
<input type="checkbox"/>	Copy of your current License.
<input type="checkbox"/>	IRS form (W-9), completed and signed.
<input type="checkbox"/>	Appointment fee Made payable to PALICO (<small>\$30.00 Alabama, \$0 Illinois, \$20.00 Ohio, \$40.00 Oklahoma, \$10.00 Mississippi, \$15.00 Tennessee</small>) If you are appointed with New Era – No fee is necessary.
<input type="checkbox"/>	Direct Deposit Authorization (Optional)
<input type="checkbox"/>	Advance Agreement (Optional)

Thank you for considering Philadelphia American Life.

Please return to:

Advantage Marketing Systems

P.O. Box 618

Mansfield, Tx. 76063

We will expedite the processing of your contract.

If you have any questions please call:

800-633-5343



PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY

GENERAL AGENT'S CONTRACT

For

Name

Of

Address

City State Zip

P.O. Box 4884 • Houston, Texas 77210-4884
200 Westlake Park Blvd. • Suite # 1200 • Houston, Texas 77079

1-800-713-4680 • 281-368-7200

1. APPOINTMENT

Subject to the limitations contained herein, the Company hereby constitutes and appoints the General Agent as its agent, for the purpose of soliciting, personally or through Agents and/or Brokers recruited by or assigned to the General Agent, applications for the Company's insurance policies and annuity contracts, and forwarding them to the Home Office of the Company for acceptance or rejection. The General Agent and the Agents or Brokers recruited by or assigned to the General Agent may operate within the territory in which they are properly licensed, but this Agreement does not grant exclusive rights in any territory or for any products.

2. RESPONSIBILITIES AND LIMITATIONS

During the continuation of this Agreement, the General Agent agrees to:

- (a) Be responsible for the proper delivery of policies issued by the Company on applications solicited by the General Agent and Agents or Brokers recruited by or assigned to the General Agent.
- (b) Operate only in states where the General Agent and Agents or Brokers recruited by or assigned to the General Agent are licensed to do business and solicit applications only for those products offered by the Company in each such state.
- (c) Comply with all rules, regulations and instructions of the Company pertaining to the conduct of business covered by this Agreement, and be responsible for the supervision of the Agents recruited by or assigned to the General Agent, in complying with such rules, regulations, and instructions.
- (d) Comply with all state, federal and local laws, regulations and orders to which the General Agent and the Agents or Brokers recruited by or assigned to the General Agent may be subject or bound.
- (e) Maintain adequate professional liability (Errors & Omissions) insurance coverage respecting the conduct of the General Agent's business under this Agreement and furnish proof of such coverage to the Company upon request.
- (f) Pay all his or her expenses in the performance of this Agreement.
- (g) Indemnify and hold the Company harmless from losses, expenses, costs and damages resulting from any acts by the General Agent or the General Agent's employees which breach any of the terms of this Agreement.
- (h) Immediately forward to the Company by cash or check all premiums received by the General Agent or the Agents and/or Brokers recruited by or assigned to the General Agent at the time of application or upon delivery of an insurance policy.

3. AGENTS AND/OR BROKERS

The Company agrees to appoint as its agents such licensed persons (Agents and/or Brokers) recruited by the General Agent as meet standards then generally applied by the Company in appointment of Agents and/or Brokers; provided, however, that:

- (a) No such person shall be authorized to represent the Company until an Agent's or Broker's contract is properly executed by the Company and such Agent or Broker is properly licensed and appointed by the Company to solicit business for the Company.
- (b) The Company reserves the right, in its sole discretion, to refuse to appoint any Agent or Broker recruited by the General Agent, and to terminate the appointment of any such Agent or Broker, without any liability to the General Agent.
- (c) If both the General Agent and another Agent of the Company request appointment of the same person, the Company shall appoint that person in whatever capacity is mutually agreed upon by all parties.

4. ASSIGNMENT

No sale, transfer or assignment of this Agreement or of any interest therein, shall be valid without the consent of the Company made in writing and signed by an Officer of the Company and dated at its Home Office.

5. LIMITS OF AUTHORITY

The General Agent is not authorized to obligate or bind the Company to any contract of insurance, to waive, alter or change any provision or condition of the Company's insurance policies or annuity contracts or any application for such contracts, any Agent's or Broker's contract, sales literature, illustrations, or receipts; modify or extend the amount of time of any premium payment due to the Company; or receive any money due or to become due the Company except initial premiums and additional first year premium collected when a policy is delivered. The General Agent shall not enter into any contract, incur any expense or obligation of any character whatsoever, or cause or permit the insertion or distribution in any publication or otherwise, of any advertising or publicity matter in any way involving the Company without the prior written approval of the Company. The General Agent is not to prepare, publish, print or circulate, or cause to be prepared, published, printed, or circulated any advertising or sales promotion materials, illustrations, circulars, leaflets, booklets, form letters, radio, telephone or television scripts, or any other information used in the solicitation of insurance, nor advertise its policies or services without the Company's prior written approval.

6. APPLICATIONS AND POLICIES

The Company may, in its discretion, and without liability to the General Agent, reject applications or refund premiums for insurance policies or annuity contracts submitted by the General Agent or Agent and/or Broker recruited by or assigned to the General Agent without specifying the cause; and withdraw, substitute, or change any insurance policy, annuity contract, or premium rate used by the Company.

7. INDEBTEDNESS

The General Agent will be responsible for the payment to the Company on demand of all monies which (a) The General Agent or Agent and/or Broker recruited by or assigned to the General Agent collects on the Company's behalf; (b) are due it because of compensation paid to the General Agent or Agent and/or Broker recruited by or assigned to the General Agent upon premiums or other consideration paid for any insurance policy or annuity contract which the Company thereafter refunded or returned; or (c) are paid or advanced to the General Agent or Agent and/or Broker recruited by or assigned to the General Agent which are not due under this Agreement. Until the Company receives all such monies from the General Agent or Agent and/or Broker recruited by or assigned to the General Agent, the same shall be a debt payable on demand and for which he/she is personally liable.

8. LIEN

As additional security for the payment of any indebtedness under this Agreement or any other Agreement with the Company, the Company shall have a first and prior lien against the compensation due the General Agent under this Agreement. The Company's lien is superior to all other liens under this Agreement. The Company may, at any time offset any such indebtedness against compensation due the General Agent under this Agreement or any agreement he/she has with the Company. If the Company does elect to offset, the offset shall not constitute an election by the Company to forego any other remedies to collect the indebtedness.

9. LITIGATION

- (a) If any legal action is brought against the Company, its employees, the General Agent or Agents and/or Brokers recruited by or assigned to the General Agent, either jointly or severally, by reason of any alleged act, fault, omission, negligence, or failure of the General Agent's or Agents and/or Brokers recruited by or assigned to the General agent, in connection with activities hereunder, the Company may require the General Agent to defend such action. However, at its sole option, the Company may elect to defend such action and expend such sums as are reasonably necessary in connection with such defense including attorneys' fees. On demand, the General Agent shall repay all such costs incurred in such defense. In the event judgment is obtained against the Company or its employees in any such action, the General Agent shall indemnify the Company for such judgment as well as all attendant costs as stated above. The General Agent shall have the same rights in connection with suits brought by third parties and arising from alleged wrongdoing on the part of the Company involving the General Agent and Agent and/or Broker recruited by or assigned to the General Agent. In any event, compromise settlements shall be considered and shall be accepted as may be reasonable.
- (b) The General Agent shall not commence any litigation between the General Agent and any other agent of the Company, or applicant to or policyholder of the Company upon any matter relating to the business of the Company, without first obtaining the written consent thereto by the President of the Company, which consent shall no be unreasonable withheld.

10. COMPANY PROPERTY

Sales brochures, applications, rate books, policyholder cards and all other supplies furnished by it will remain Company property. They are to be accounted for and returned by the General Agent on demand. The General Agent agrees to be responsible for any damage or misuse thereof. Company property is subject to examination during normal business hours and without notice by a duly authorized representative of the company.

11. PERSONAL DEVELOPMENT AND SERVICE

The General agrees to become fully informed as to the provisions and benefits of each product offered by the Company for which the General Agent or Agents and/or Brokers recruited by or assigned to the General Agent solicit applications, and to insure that such Agents and Brokers are so informed. The General Agent further agrees to represent such products adequately and fairly to prospects, and to use his or her best efforts to provide service to customers and to maintain in force any business placed with the Company.

12. COMPENSATION

Subject to all provisions of this Agreement, the Company agrees to pay the General Agent compensation for services rendered hereunder on insurance policies and annuity contracts issued on applications solicited by the General Agent or Agents and/or Brokers recruited by or assigned to the General Agent in accordance with the attached Commission Schedules.

(a) Change in Schedule

The Commission Schedule attached to this Agreement may be changed by the Company at any time by notice to the General Agent, provided, however, such change shall be applicable only to policies of insurance thereafter issued.

- (b) Reinsurance
If all or any portion of a policy of insurance issued by the Company through the solicitation of the General Agent or Agent and/or Broker recruited by or assigned to the General Agent is reinsured by the Company, the right is reserved by the Company to change the compensation provided for in the attached Commission schedules to the extent deemed advisable by the Company to provide for the reinsurance.
- (c) Renewal Commissions on Termination, Death or Total Disability of the General Agent
If this Agreement is terminated for any reason including death or, if, in the sole judgment of the Company, the General Agent is totally disabled by reason of physical or mental impairment, renewal commissions (but not service fees) on business produced by the General Agent at the rates and for the periods specified in the attached Commission Schedule shall, subject to the other provisions of this Agreement, be paid as they accrue to the account of the General Agent or the heirs or legal representatives or the General Agent in accordance with this Agreement.
- (d) Termination of Service Fees
In no event shall service fees be payable after the death or, as determined by the Company, the total physical or mental disability of the General Agent or after the termination of this Agreement for any other reason.
- (e) Conversion, Chances and Replacements
The compensation on conversions of term policies, changes in plan and replacement policies shall be governed by the rules and practices adopted by the Company.

13. TERMINATION

At any time either the General Agent or the Company may terminate this Agreement without cause by giving thirty (30) days notice in writing sent to the last known address of the other. This Agreement shall terminate immediately upon the date of the General Agent's death, bankruptcy, or insolvency, or, in the event the General Agent is a corporation or partnership, upon the dissolution thereof, or upon the termination or nonrenewal of the General Agent's license to represent the Company. Without notice this Agreement shall immediately terminate for cause if the General Agent:

- (a) Fails to comply with or commits any material violation of any provision of this Agreement.
- (b) Violates any law or regulation regarding the sale of insurance or annuities or fails to comply with any court or administrative agency order.
- (c) Forfeits his or her license to write insurance in any State by reason of action commenced against the General Agent by the Insurance Department of that State, whether as part of a revocation of such license or in an effort to compromise or settle such proceedings.
- (d) Induces or attempts to induce any policyholder of the Company to surrender or lapse any policy of insurance or annuity contract with the Company or to reduce or discontinue any premium payments to it.
- (e) Withholds, converts, or fails to account for and remit promptly any monies, funds, policies, or other property belonging to or returnable to the Company.
- (f) Does any act which injures the business or reputation of the Company.
- (g) Induces or attempts to induce any Agent, employee or representative of the Company to terminate his/her relationship with the Company.
- (h) Threatens or acts in an abusive manner toward the Company or any of its employees.

If this Agreement is terminated for cause as provided in this paragraph or if this Agreement is terminated without cause but the Company later discovers that during the General Agent's association with the Company or afterwards that the General Agent has committed any of the acts described in this paragraph then the General Agent shall forfeit to the Company all right, title and interest in any compensation due the General Agent under this Agreement. A forfeiture under this paragraph shall not constitute an election by the company to forego any claim it may have against the General Agent.

14. NOTICE

Any notice given under any provision of this Agreement shall be complete upon deposit, postage prepaid, in the U.S. mail addressed to the General Agent at the General Agent's address according to the Company's records or to the Company at its home office, whichever applies.

15. RELATIONSHIP

Nothing contained herein is intended or shall be construed to create the relationship of employer and employee between the General Agent, the Agent and/or Broker, and the Company, or between the General Agent and the Agent and/or Broker shall at all times be deemed independent contractors. The General Agent and the Agent or Broker shall be free to exercise their own judgment as to the persons from whom they will solicit applications for insurance policies and annuity contracts and the time and place of such solicitation, but the Company may, from time to time, prescribe rules, regulations or instructions respecting the conduct of the business covered hereby, not interfering with such freedom of action of the General Agent and any Agent or Broker recruited by or assigned to the General Agent, who shall nevertheless be subject to and comply with such rules, regulations, and instructions. The General Agent and any Agent or Broker recruited or assigned to the General Agent shall at all times be free to contract with other insurance companies and solicit business on their behalf.

16. REPLACEMENT

This Agreement terminates and supersedes any and all other agreements made between the General Agent and the Company to represent the Company.

17. RIGHTS OF COMPANY

The Company may make such changes as it deems advisable in the conduct of its business or discontinue at any time issuing any of its forms of policy contracts or other instruments issued in the pursuance of its business and no liability to the General Agent will attach to the Company by reason of its so doing. The Company shall have the right to test-market any of its products or policies on a select basis at the discretion of the Company.

18. INJUNCTION

The General Agent agrees that if, during this Agreement, or within two years after termination thereof; if the General Agent does any of the acts described in paragraph 13 subparagraph (d), (e), (f), or (g) of this Agreement, that damages, if any, and remedies at law for doing such acts would be inadequate. Therefore, in the event the General Agent does any such acts, the Company shall be entitled to an injunction, without the necessity of furnishing bond restraining the General Agent from any such act. The General Agent agrees that any such act would result in continuing irreparable harm and damage to the Company but nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to the Company, including the recovery of damages from the General Agent.

19. LAW GOVERNING AND JURISDICTION

This Agreement is made and entered into upon its acceptance by the Company at its Home Office in Houston, Texas, and shall be governed by the laws of the State of Texas. All compensation payable hereunder by the Company shall be payable at Houston, Texas. The General Agent agrees that any actions or legal proceedings arising out of or in any way relating to this Agreement, whether initiated by the General Agent or the Company, shall be brought in the courts of Harris County, Texas, which shall have jurisdiction and venue over any litigation resulting from any violation or interpretation of the terms and conditions of this Agreement.

20. SAVINGS CLAUSE

If any provision of this Agreement shall be contrary to the laws of the particular state, county, or jurisdiction where used, such contrary provision shall not entirely invalidate this Agreement, and this Agreement shall be construed as not containing the particular provision held to be invalid in such state, county or jurisdiction and the rights and obligations of the General Agent and the Company shall be construed and enforced in such a manner as nearly as possible to effect the intent and purposes of the Agreement.

21. WAIVER

The forbearance or neglect of the Company to insist upon the performance of this Agreement or its failure to take advantage of its rights and privileges in case of any violation hereof by the agent, shall not constitute a waiver of any such rights and privileges. No waiver or modifications of any of the terms or conditions of this Agreement shall be binding upon the Company unless made in writing and signed by an officer of the Company and dated at its Home Office.

22. ENTIRE CONTRACT

This Agreement and the attached Commission Schedules, along with all supplements and amendments, if any, constitute the entire contract between the parties.

Executed this _____ day of _____, 20 _____.

Effective Date: _____, 20 _____.

Social Security Number

General Agent Signature

By Authorized Officer of Houston, Texas

Title