CARRIER: **LAFAYETTE LIFE**
PACKET CURRENT AS OF: 01-24-05

CARRIERS REQUIRE ALL PAGES OF THE LICENSING PACKET BE SUBMITTED IN ORDER TO COMPLETE YOUR CONTRACTING – THEY NEED THE ENTIRE CONTRACT/AGREEMENT AND ALL RELATED DOCUMENTS.

EVERY PAGE NEEDS TO BE REVIEWED, COMPLETED, OR SIGNED – THANK YOU FOR MAKING SURE TO RETURN EVERY PAGE OF THE PACKET WE SEND TO YOU, BACK TO US AT CPS.

ATTENTION INDEPENDENT GENERAL AGENT (IGA)

If you have taken an application and are submitting your signed contract simultaneously, please put the date the new business was signed and state where signed on this form and include as part of your contracting papers.

Please note, in addition to your signed IGA contract (signed by you, your MGA if any, and your IMO), we also will need:

- **BUSINESS BACKGROUND SUMMARY COMPLETED IN DETAIL AND SIGNED BY YOU AND YOUR IMO**
- **AGENT'S RESPONSIBILITY SIGNED BY YOU AND YOUR IMO**
- **COPY OF YOUR CURRENT RESIDENT LICENSE**
- **COPY OF YOUR CURRENT E&O PROOF; NAME OF PERSON COVERED MUST BE LISTED**

DATE NEW BUSINESS SIGNED ______________ **STATE** __________

IGA NAME: ________________________________

MGA NAME: ________________________________

IMO NAME: ________________________________

This form is part of contracting and can only be used when selling in an immediate licensing state. Any questions, please call 800-443-8793, ext. 3468 (Regina), ext. 3244 (Janet), ext. 3641 (Rachel), ext. 3645 (Robin), ext. 3636 (Carrie).

THE LAFAYETTE LIFE INSURANCE COMPANY

2500-IGA5

THE LAFAYETTE LIFE INSURANCE COMPANY
BUSINESS BACKGROUND SUMMARY

The purpose of this form is to determine whether our products and services are compatible with your sales activities and objectives. Nothing on this form is intended for discriminatory purposes.

Please print or type

PERSONAL

Name (Last, First, Middle)	☐ CLU ☐ ChFC ☐ ____	Nickname	Social Security #

Name of Agency/Corporation/Trade Name/DBA: (include any assumed name)

Marital Status ☐S ☐M	Spouse's Name	Spouse's DOB	No. of Dependents	Driver's License No.	Agent's Date of Birth

Residence Address (Number & Street, City, State & Zip Code)* County:	Years at address*	Residence telephone ( )
Business Address to be used for UPS/FedEx (Number & Street, City, State & Zip Code) County:	Years at address*	Business telephone ( )
(Post Office Box, City, State & Zip Code)	*Former address, if fewer than 5 years. RES: BUS:	

FAX Number ( ) Mobile Number ( )

LICENSES HELD

List **ALL LICENSES CURRENTLY HELD** that relate to the sale of insurance and/or financial products (life, health, DI, P&C, NASD, etc.) **[Please enclose copy(ies) of current license(s).]**

Kind of License	License number	State	Line(s) of License(s)
INSURANCE RESIDENT:			
INSURANCE NON-RESIDENT			
NASD - SERIES			

PLEASE READ AND ANSWER EACH QUESTION

Yes	No	
___	___	1. Do you now owe any money to another insurance company or governmental entity or have you ever discontinued selling for another insurance company when you were indebted to the company?
___	___	2. Have you been a party to a bankruptcy or receivership proceeding involving your personal or business debts?
___	___	3. Have you **ever** had or are you currently involved in any personal or business tax liens, suits, or judgments?
___	___	4. Has any insurance company ever terminated any agency, agent, or broker contract with you for reason other than insufficient sales?
___	___	5. Have you **ever** had charges filed against you by any state insurance department?
___	___	6. Has any person ever complained to an insurance company, insurance department, S.E.C., NASD, or other agency about your conduct as an agent?
___	___	7. Has your insurance agent's license ever been suspended or revoked or have you ever been denied a license?
___	___	8. Have you ever been denied a surety or fidelity bond?
___	___	9. Have you ever been convicted of, or pled guilty to, or entered a plea of no contest to, a felony or a misdemeanor?
___	___	10. Are you now bonded to handle money belonging to others? With whom? ____________
___	___	11. Do you have professional liability or errors and omissions insurance? If yes, state insurer's name: ____________ ____________ **Please provide Declarations page. E&O coverage is required.**

If the answer to any of these questions is "YES," list number and please provide dates and **send documentation and explanation.**

E-Mail Address: ____________ **WEB Page** ____________

Continued on Reverse Side

INSURANCE COMPANY OR OTHER AFFILIATIONS

Other Company(ies) & H.O. Location	Date of Contract From	To	Type of Contract

REFERENCES

BUSINESS List people unrelated to you, who know you, your operation, and will be able to verify information regarding your activities during the past 5 years.

NAME	ADDRESS (No. /St./City/State/Zip)	Phone	Occupation/Title/Employer
(1)		( )	
(2)		( )	

Personal Name of nearest relative not residing with you.

NAME	ADDRESS (No. /St./City/State/Zip)	Phone	Relationship
		( )	

Bank List all accounts used personally in insurance business. (Attach additional sheets if necessary)

NAME	ADDRESS (No. /St./City/State/Zip)	Phone	Type of Account/Acct. No.
		( )	

MY PROJECTED ANNUALIZED PAID LIFE PREMIUM DURING MY FIRST 12 MONTHS WITH LAFAYETTE LIFE WILL BE AT LEAST:

PERSONAL $ ________; **BUSINESS $** ________; **QUALIFIED $** ________; **TOTAL $** ________

CORPORATIONS

Does the corporation hold an insurance agent license in all states where it does business? ☐ Yes ☐ No (Attach copies of all corporate agent licenses)

Name ________ Tax ID: ________ State of Incorporation ________

Street: ________ City: ________ State: ________ Zip Code: ________

CERTIFICATION AND AUTHORIZATION

I certify that the information furnished above is true and complete and that I have not concealed any information. I understand that Lafayette Life will rely on this information in determining whether to offer a contract to me. I understand and agree that Lafayette Life may revoke any contract issued to me if any statement herein is incorrect and/or incomplete. I agree that I will immediately notify the Lafayette Life in writing in the event that I become convicted of, or plead guilty to, or enter a plea of no contest to a felony or misdemeanor subsequent to the date hereof, provided that I have an inforce agency contract with Lafayette Life.

I, the undersigned Applicant, hereby further authorize and request each of my former employers and each of the insurance companies with which I have ever been affiliated, including those listed in this report, to furnish to The Lafayette Life Insurance Company any information which such employer or insurance company possesses regarding me, including, but not limited to, all business production reports, compensation, premiums written and my business methods or practices. I release any former employer and/or insurance company from any liability by complying with a request for information pursuant to this authorization.

As part of our routine agency appointment procedure, an investigative consumer report, criminal records check, and state insurance reports may be obtained which will provide applicable information concerning character, general reputation, financial and professional status. This information may be obtained in part through TRW/Hooper Holmes/ Vector One, and personal interviews with your friends, neighbors, and associates. A photocopy of this signed authorization shall be as valid as the original. I hereby release The Lafayette Life Insurance Company, its officers, directors, employees, agents, affiliates, successors and assignees from any and all claims and liability whatsoever arising from the collection and/or use of the information requested by The Lafayette Life Insurance Company pursuant to this authorization.

Signature of Applicant ________ Date ________

IMO Please Advise:
- ☐ All mail to IMO
- ☐ Mail directly to applicant

Signature of IMO ________ Date ________

Signature of Sales Vice President-Organizational Marketing ________ Date ________

Form 1885IMO 6/00

Lafayette Life
Insurance Company
1905 Teal Road
P.O. Box 7007
Lafayette, Indiana 47903-7007

Marketing Department
765-477-7411
800-443-8793
765-477-3235 - Mktg. Fax
www.lafayettelife.com

AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER

AGENT NUMBER ______________________________ DATE ________________

WRITTEN SIGNATURE ____

I HEREBY AUTHORIZE LLIC TO: ( ) START ( ) STOP
Depositing my commission checks in my checking account, and to be effective in such time and such manner as to afford LLIC and Financial Institution a reasonable opportunity to act upon it.

BANK NAME ____

CITY ______________________ STATE ____________ ZIP CODE __________

ACCOUNT NO. ( ) CHECKING ______________ **(ATTACH BLANK SAMPLE VOID CHECK)**

( ) MY COMMISSION CHECKS ARE NOW BEING DEPOSITED. CHANGE MY BANK, CHECKING ACCOUNT NUMBER AS SHOWN ABOVE.

It is agreed that The LLIC is relieved of any further liability for such payments or for the application of the funds after they have been transferred in accordance with this authorization.

The financial institution referred to above shall incur no liability for the application of funds after deposit to my account, other than normal banking liabilities. Because of the continual fluctuation in exchange rates, this needs to be in a US Bank.

In the event that an entry is incorrectly initiated to my account, I also authorize The LLIC to initiate a reversing entry.

This authorization may be discontinued by my written request or upon termination.

SEND AUTHORIZATION FORM AND VOIDED BLANK CHECK TO: AGENT'S ACCOUNTS DEPT.

Agent's Responsibilities

CONTRACT, AUTHORITY, AND CONDUCT OF BUSINESS

CONTRACTS AND LICENSES - No Agent is permitted to solicit business until he or she is licensed and contracted with The Lafayette Life Insurance Company (the "Company").

SOLICITATION - In states where required, an agent shall inform the prospective purchaser, prior to commencing a life insurance sales presentation, that he or she is acting as a life insurance agent and inform the prospective purchaser of the full name of the insurance company which the agent is representing to the buyer.

OUT OF STATE MAIL SOLICITATION - Taking applications by mail outside the primary state of license is permitted only when it involves a CURRENT Lafayette Life policyowner for whom the Agent has written prior coverage and who has moved out of the Agent's state life license. A medical examination and Telecom Report will be required for all applications taken by mail. For a nonresident license - contact the Marketing Department.

INTERNET ACCESS AND ELECTRONIC COMMUNICATIONS - You hereby acknowledge and agree that the Company may provide written notices and other communications electronically via e-mail or by posting to the Company website at www.LafayetteLife.com. Additionally, many Company forms are available to agents through the Company's website. Consequently, Agent's must maintain internet access and an e-mail address and immediately provide the Company with their e-mail address and notice of any changes thereto.

AUTHORITY OF AGENTS - Agents of the Company are authorized to solicit applications for insurance on such plans as are offered by the Company, to collect the initial premium on such business for prompt transmission to the Company, and to perform such other duties as the Company may from time to time require.

Agents are not authorized to accept risks of any kind; to make, modify, or discharge contracts; to extend the time for paying any premium; to waive forfeiture; to bind the Company by any statement, promise or representation; or to employ counsel to represent the Company.

MARKET CONDUCT - Agents of the Company shall adhere to the Principles and Code of Ethical Market Conduct adopted by IMSA. Consult your Agent's Reference Manual for a complete description of Company's Principles and Code of Life Insurance Ethical Market Conduct.

In the event that you receive any communication primarily expressing a grievance that pertains to a Lafayette Life policy, the Company, your conduct or the conduct of agents while assigned to you, you must immediately report and send copies of such grievance to the Home Office. You will cooperate with any Company investigation of any grievance and promptly provide any documents, explanations or statements requested.

PRIVACY POLICY – Agents of the Company shall comply with the Company's policies and practices concerning the protection of customers' nonpublic personal information (Non Public Information) as defined in Title V of the Gramm-Leach-Bliley Act ("GLB"). Agents agree that they will use or disclose Non Public Information that they receive from or on behalf of the Company only for the purpose for which the Non Public Information was disclosed or as otherwise permitted under applicable federal or state laws or regulations. Agents shall maintain physical, electronic and procedural safeguards to protect Non Public Information. For additional information on the Company's GLB privacy policies contact the PRIVACY OFFICIAL, at The Lafayette Life Insurance Company, P.O. Box 7007, Lafayette, Indiana 47903.

POLICY DELIVERY - Agents may deliver policies only during the life and good health of the proposed Insured unless settlement of full initial premium has been made at the time of application and policy issued as applied for. Policies should always be delivered in person within 60 days from the date the policy was mailed from the Home Office.

ADVERTISING - Agents may not publish anything concerning the policies or business of this or any other Company, or to issue circulars of any kind, unless the proposed matter has been submitted to, approved and authorized by the Company in writing. All advertising and sales materials must be prepared by and/or approved by the Company. The Company's name may not be placed on any document in a manner suggesting that the Company is the author, unless the document has been approved in its final form by the Company.

REBATING - In most states rebating is illegal and a violation of the rebating laws. Violations will subject the offender to serious penalties. The Company does not authorize or permit any agent to pay or allow, or offer to pay or allow, directly and indirectly, a rebate of any premium, or to grant any special favor or valuable consideration on any policy of insurance, either to the Proposed Insured for such policy or to any other person.

EXPENSES - The agent is not authorized to incur any expense on behalf of the Company or of any agent to which it is assigned, or to draw drafts on the Company.

CWA LIMITS - The Underwriting Department will accept cash with applications for face amounts up through $1,000,000 (base plan plus term rider) for ages 0-70. Current insurance in force with the Company will be considered in determining the CWA limit for new business applications. Cash (check or money order) will not be accepted with application if the amount of insurance (including term rider and previous insurance) exceeds $1,000,000 or if applicant is age 71 or over. The Conditional Receipt may not be detached from these applications. **All premium checks** for the policy (including the check for the initial premium) should be **made payable to The Lafayette Life Insurance Company** and should not be made payable to the Agent.

CONDITIONAL RECEIPT - Maximum limits are $250,000 through age 70. California and Pennsylvania Field Associates must and all Field Associates are urged to bring the printed limits of liability to the attention of their applicants.

REPLACEMENT - The Company is interested in the sale of new insurance but not at the expense of existing insurance.

PREMIUM REMITTANCE - Initial premiums collected on delivery must be sent to the Home Office immediately. Normally, only an owner's check is acceptable for any premium payment. A money order or Cashier's Check may be used when necessary. **Agent or Agency checks will not be accepted.**

This summary highlights some of your key responsibilities as a Lafayette Life Agent. Consult your contract and Agent's Reference Manual for a more complete description of your responsibilities and Company rules. For purpose of this form, the term "Agent" includes the term General Agents, Agents, Independent Marketing Organizations, Marketing General Agents, Independent General Agents, and all other agents appointed by the Company.

I have read, understand and will comply with the above Responsibilities and all others set forth in my contract.

Applicant Signature: ______________________________ Date: ______________

INDEPENDENT GENERAL AGENT AGREEMENT

The Lafayette Life Insurance Company ("we", "us", "our" or the "Company") and Independent General Agent ("you", "your", or "yours") enter into this Agreement at Lafayette, Indiana, effective as of the date set forth below.

I. Appointment, Authority and Relationship

(a) Appointment. We hereby appoint you to act as our agent, subject to the provisions of this Agreement. You are authorized to solicit applications for policies of life insurance and annuity contracts sold by us and to service policies issued by us.

(b) Territory. You may operate within any territory where you are duly licensed, but no territory is exclusively assigned to you.

(c) Relationship with Company. You are an independent contractor. You shall be free to exercise your own independent judgment as to the time, place and persons from whom you may solicit applications for insurance and annuities. We shall have no direction or control over your time or physical activities. Nothing contained herein shall be construed as creating the relationship of employer and employee between you and us for any purpose, including federal tax purposes. You shall be responsible for and pay any and all expenses incurred in conducting business under the terms of this Agreement. You are not eligible to participate in any fringe benefit programs sponsored by us.

(d) Responsibility. You agree to abide by the terms and conditions of this Agreement and by any written rules covering the conduct of our business and any practices of the Company. Our rules are found in this Agreement, our Agents' Reference Manual, or our published field bulletins. You agree to be familiar with and understand the terms and conditions of the life insurance policies and annuity contracts sold by us and the supporting marketing literature made available by us in connection with any of the life insurance policies and annuity contracts which you sell under this Agreement. You agree to abide by all applicable local, state and federal laws, regulations and guidelines in conducting business under this Agreement.

You shall at all times conduct yourself, and see that your employees conduct themselves, so as not to adversely affect the business reputation or good standing of either yourself or us.

You shall be responsible to us for the acts of you or your employees and shall indemnify and hold us harmless from any and all expenses, costs, causes of action and/or damages (including attorney's fees) whether by judgment, settlement or otherwise, resulting from or growing out of any fault or unauthorized act by you or any of them.

II. Independent General Agent Compensation

(a) Compensation. When the term "compensation" is used in this Agreement, it means the commissions, service fees and asset based compensation, of any kind, described in (b) below. Your full compensation will be the commissions, service fees and asset based compensation provided for in the Agreement. There shall be no additional compensation or reimbursement to you for services performed or expenses incurred. All compensation shall be subject to the provisions of this Agreement.

(b) Commissions, Service Fees and Asset Based Compensation.

(i) Commissions and Service Fees. After this Agreement becomes effective, we shall pay you the commissions and service fees at the percentages set forth in the Independent General Agent Agreement Schedule of Compensation attached hereto (the "IGA Schedule of Compensation"), subject to the terms hereof. Those commissions and service fees shall be based upon premiums paid on policies produced by you while this Agreement is in effect.

Commissions and service fees apply only to those policies of life insurance and annuity contracts listed in the IGA Schedule of Compensation attached hereto and as published from time to time by the Company, and as specified therein. Commissions and service fees may not apply to all policies listed. Commissions and service fees are paid only on premiums paid on policies delivered.

(ii) Asset Based Compensation. While this Agreement is in effect, we shall pay you asset based compensation at the percentages set forth in the IGA Schedule of Compensation, subject to the terms hereof. Asset based compensation shall be based upon the net accumulated policy value of policies produced by you while this

Agreement is in effect, solely for the products identified in the IGA Schedule of Compensation that have asset based compensation payable thereon. For each policy upon which asset based compensation is payable, asset based compensation commences as described in the IGA Schedule of Compensation, and is payable annually thereafter while such policy is in force and while this Agreement is in effect. Notwithstanding any term in the Agreement to the contrary and solely with respect to the annuity products identified in the IGA Schedule of Compensation that have asset based compensation payable thereon, asset based compensation shall be based upon and paid as a percentage of the net accumulated policy value less any premium credited to such policy value within the 12 months immediately preceding the applicable policy anniversary upon which the asset based compensation calculation is made of those policies produced by you while this Agreement is in effect. Please see the IGA Schedule of Compensation for further details.

(c) Provisions Relating to Compensation. You shall have no authority to collect premiums other than the initial premium, which should be in the form of a check payable to us. Any check collected shall be immediately remitted to us. Any commissions to which you may be entitled shall be paid to you only after issuance and delivery of the policy or contract, after the due date of the premium, on premiums paid, and after any other outstanding requirements are met. No commissions will be payable on account of waived premiums, interest collected, or premiums refunded for any reason, and you shall refund to us any compensation paid on account of any such premium or interest. Commissions and service fees on premiums paid in advance will not be payable until the regular due date of such premium. Commissions and service fees on extra premiums, conversions, exchanges, replacements and other special situations not provided for herein will be governed by our rules and practices in effect at that time. Asset based compensation in special situations not provided for herein will be governed by our rules and practices in effect at that time.

(d) Special Rules for Commission and Service Fees on Universal Life Products; Additional Rules for Commissions and Service Fees on all types of Policies.

a. Commission on Increases in Specified Amount. Specified Amount is stated in a universal life policy. It is the amount of insurance provided by the basic policy on the primary insured's life and it may be increased as provided in the policy. An increase in Specified Amount means an increase in the amount of insurance on the life of the primary insured, but not a spouse or child, covered in a universal life policy. When an increase in Specified Amount occurs while you are receiving commissions or service fees on a universal life policy which you produced, and while this Agreement is in effect, you will earn a single lump sum commission on the amount of the increase.

The commission will be the total of (i) multiplied by (ii), multiplied by (iii):

(i) the appropriate commission percentage from the Chart of Compensation for Universal Life Specified Amount Increases; multiplied by:

(ii) the target premium per $1,000 of increase, excluding the quantity discount factor, at the attained age at the time of the increase; multiplied by:

(iii) the number of $1,000s of increase in Specified Amount.

b. Commission on Increases or Additions in Optional Benefits. When an increase occurs in the amount of insurance provided by any Optional Benefit, or when an Optional Benefit is added while you are receiving commissions or service fees on the policy, you will receive an additional commission. Such commission will be the appropriate percentage of the increase in the amount of the target premiums and excess premiums for the benefit, or the monthly deduction for the Waiver of Monthly Deduction Rider (which is listed in the Chart of Compensation for Waiver of Monthly Deduction Rider attached to this Agreement) during the first twelve months following the increase or the addition of an Optional Benefit so long as this Agreement remains in effect.

c. Commissions and Service Fees on Optional Benefits. We will pay commissions and service fees to you on a universal life policy you produce which contains an Optional Benefit either upon issue or when an Optional Benefit is later added to a universal life policy you produced. Commissions and service fees for an Optional Benefit other than a Waiver of Monthly Deduction Rider are based upon the target premiums and excess premiums paid for such benefit. Commissions and service fees on the cost of insurance deductions for Waiver of Monthly Deduction Riders will be paid at monthly deduction time in the percentages shown in the Chart of Compensation for Waiver of Monthly Deduction Rider on a Universal Life Policy, attached to this Agreement. You will receive a commission on each Optional Benefit contained in a policy you produced.

Except as provided in paragraph b. above, commissions begin only when an Optional Benefit is added to such universal life policy during the first ten policy years, and they will cease at the end of the tenth policy year.

Beginning with the eleventh policy year, we will pay service fees to you for such Optional Benefits so long as this Agreement remains in effect.

(e) Additional Rules for Commissions and Service Fees on All Types of Policies.

a. Service Fees. Service fees will be paid only while you are actively servicing the policies and while this Agreement remains in effect.

b. New Products. We shall determine the percentage of commissions, service fees and asset based compensation, if any, payable on all new policies, riders or other products we issue after the effective date of this Agreement. We shall publish the commissions, service fees and asset based compensation, if any, payable when any policy, rider or product is made available for solicitation.

c. Group Insurance. Compensation on group insurance policies shall be specified by separate contract between you and us.

d. Reinstatement of Lapsed Policy. We shall determine and publish the percentages of commissions and services fees payable on any lapsed policy which is reinstated by you, on which you were not the original producing agent. You shall not be entitled to commissions, service fees or asset based compensation earned on a lapsed policy originally produced by you which is reinstated by another agent.

e. Substandard and/or Special Class Policies; Group Conversions. We shall determine and publish the percentages of commissions and service fees payable on substandard and/or special class policies and group conversions.

f. Waiver of Premiums or Monthly Deductions. No commissions or service fees not already paid and earned will be paid on any policy or Optional Benefits sold as riders during a period when premium payments or monthly deductions are being waived on account of disability, or for any other reason.

g. Internal Replacement. We have published rules concerning compensation to be paid on a policy which replaces an existing policy of ours. We reserve the right to change, modify or revoke the internal replacement rules at our discretion in the future. Policies produced by you which become replacing policies of existing policies previously issued by us, will not earn compensation as provided in this Agreement. You will be paid the compensation, if any, provided in our published internal replacement rules which are then in existence.

Without limitation, we reserve the right to determine compensation when an application for a policy is procured which, in our sole judgment, is to take the place of a pre-existing policy or a policy terminated within two years prior to the issuance of the new policy or one year after the issuance of the new policy. Such compensation shall be determined by us at the time of issuance of the new policy, or at the time of the subsequent lapse or surrender of the pre-existing policy.

When a policy becomes a replacing policy, after we have already paid compensation to you on such policy, compensation paid on such policy in excess of the compensation provided for in our internal replacement rules shall become your debt to us and shall be collectible as provided in this Agreement.

h. Reduced Commission on Guaranteed Issue Life Insurance. We have published rules for issuing life insurance without individual underwriting of the life insurance risk. We reserve the right to change, modify or revoke the guaranteed issue rules at our discretion in the future.

We may agree to issue certain policies under the guaranteed issue rules on applications you solicit. You agree that if we issue any amounts of life insurance under the guaranteed issue rules, we shall reduce the first year commission percentage on premiums paid on life policies other than universal life, and the target commission percentage on the Target Premiums paid on universal life policies. Such reduced commission percentage will be 10 percent less than the first year commission percentage or the target commission percentage otherwise provided in the Schedule of Compensation. We reserve the right to change the reduced commission percentage at our discretion in the future. Such change will be effective on applications submitted after notice to you of the change.

III. Persistency

At all times while this Agreement is in force, you shall maintain a 36 Month Current Persistency or partial period persistency, based upon or published formula, when less than 36 months production is available, of not less than 75%.

IV. Change Or Termination

(a) Changes. We may at any time and from time to time:

(1) Change or modify this Agreement,

(2) Prescribe, modify and publish written rules covering the conduct of our business,
(3) Modify or amend any policy form,
(4) Fix minimum and maximum limits on the amount for which any policy form may be issued,
(5) Modify or alter the conditions or terms under which any policy forms may be sold or regulate their sale in any way,
(6) Discontinue or withdraw any policy from any state, without prejudice to continue such form elsewhere, or
(7) Cease doing business in any state.

We shall have the right at any time and from time to time to increase or decrease the rate of first policy year and renewal commissions and other compensation on any or all of the policy forms then being issued by us whether or not listed in this Agreement. Any such change shall apply only to policies which shall be issued on or after the effective date of the change.

(b) Voluntary Termination. Either of the parties hereto may terminate this Agreement, without cause, by mailing to the other party at their last known address a notice of termination at least thirty (30) days prior to such termination date. Notice shall be deemed received on the date it is mailed to your last known business address.

(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 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 business address and that termination shall be effective upon mailing. Cause for termination shall be:
(1) Violation of any of the terms of this Agreement,
(2) Violation of any insurance laws or regulations, or state or federal criminal law,
(3) Inducing or attempting to induce one of our policyholders to relinquish or replace our policy, in violation of our published rules on external replacement,
(4) Any interference with the collection of renewal premiums,
(5) Misappropriation or commingling of our funds, or
(6) Engaging in a fraudulent act or misrepresenting policy benefits or premiums.

If this Agreement is terminated for cause, no further compensation of any kind shall be payable to you after termination.

(e) Effect Of Termination Of Agreement. Termination of this Agreement shall not impair any right or remedy we may have against you under this Agreement or any previous contracts between you and us.

(f) Use of Our Materials After Termination. Immediately after termination of this Agreement, you shall stop using any advertising, stationery, circulars or software bearing our name or logo, describing our policies or referring to your connection with us. You shall also stop using our Agents' Reference Manual, applications, printed forms, licenses, records and supplies.

(g) Compensation After Termination; Vesting of Commissions.

(1) After Termination. After termination of this Agreement, we will vest and continue to pay first year commissions and all renewal commissions in policy years 2-10 to you on premiums paid, in accordance with the other provisions of this Agreement, subject to the following limitations:
a. No further payments will be made after the total of all compensation paid in any previous calendar year falls below $300.
b. No compensation will be payable if we terminate this Agreement **For Cause.**

c. If this Agreement is terminated and compensation would otherwise be payable, but you engage in any of the activities listed in 3, 4, 5 or 6 of Section IV (d) either before or at any time after termination, then all rights to the payment of any further compensation shall be forfeited. Our rights under this provision shall continue after termination of this Agreement.

No service fees or asset based compensation will be payable after termination of this Agreement.

(h) Compensation After Death or Dissolution.

(1) After Death. If you are an individual and if you die at a time when compensation is payable under this Agreement, we shall continue to pay the following items of compensation after your death, but only as long as the total of such compensation payable in any one calendar year is not less than $300:

a. commissions which accrued but were not paid before your death;
b. commissions which accrue after your death;
c. service fees which accrued but were not paid before your death; and
d. asset based compensation which accrued but was not paid before your death.

Such compensation shall be paid to your surviving spouse, and at the death of the surviving spouse, to the spouse's estate. If you leave no surviving spouse, then such compensation shall be paid to your estate.

(2) Dissolution. If you are a corporation or partnership and in the event of your voluntary or involuntary dissolution, any sums from time to time payable by us under this Agreement shall be paid to the person or persons to whom you have validly assigned your rights prior to your dissolution. However, we shall not be required to divide sums payable under this Agreement among more than two assignees, nor shall our obligation to pay sums otherwise due under this Agreement continue as to any assignee after any calendar year in which the aggregate amount paid to the assignee was less than Three Hundred Dollars ($300.00). Payment to your assignee or assignees shall fully relieve us from any further liability whatsoever for the sums so paid. In the absence of a valid assignment, we shall accumulate and hold any such sums without interest, until such time as entitlement to those sums is agreed upon in writing by all interested parties, or is duly established by the final order or decree of a court having jurisdiction of all interested parties. In the event of any controversy or conflicting claims to any such sums, we shall be entitled to recover, from the funds so held or from the claimants to those funds, all of our expenses, including attorney's fees, reasonably incurred in protecting our interests and in ascertaining who is legally entitled to such sums.

V. General Provisions

(a) Indebtedness. Any debt you owe us, including without limitation any advance, loan, annualization of compensation or extension of credit from us to you, shall constitute a general indebtedness of yours to us. The entire indebtedness, as shown in our ledger accounts, may be deemed due and payable at any time. Such debts shall bear interest after demand at the rates specified by us from time to time in the Agents' Reference Manual, but not to exceed the maximum non-usurious rate permitted by law. If it becomes necessary for us, in our sole judgment, to employ outside counsel to collect any such debts, you shall be responsible for all attorney's fees, costs and expenses which we incur. We shall have the right to deduct from and set-off against any compensation or other amounts payable under this Agreement or any other contracts between you and us, amounts necessary to pay or partially pay any debt to us now due or later becoming due from you. We shall also have a first lien on compensation or other amounts payable to you by us, to secure repayment of any such debt. Our set-off and lien rights shall continue after termination of this Agreement.

(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) Rights of Rejection and Settlement. Specifically, without limitation, we shall have the right to reject applications for insurance or annuities without specifying cause. We shall also have the right to determine, in our sole discretion, that a policy which has been issued should be rescinded and/or canceled and that the premiums paid for the policy be refunded. In such event, any compensation paid or credited to you, with respect to such policy, shall become your debt to us. Other rights and obligations of ours can be found in our Agents' Reference Manual or our published field bulletins.

(d) Limitation of Authority. Your authority shall extend no further than as is stated in this Agreement. You shall not:

(1) Make, alter, modify, waive or change any questions, statement or answer on any application for an Agent's agreement, the agreement itself or 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 or the time for payment of premiums;
(3) Deliver any policy unless the applicant therefore is at the time in good health and insurable;
(4) Incur any debts or liability for or against us;
(5) Receive any money for us except as herein stated or as you may be specifically authorized in writing; or
(6) Personally pay or advance any premium on any policy other than your own.

(e) Assignment. Neither this Agreement nor any of the benefits to accrue hereunder shall be assigned or transferred, either in whole or in part without our prior written consent.

(f) Rebating. You shall not, under any circumstances whatsoever, pay or allow any rebate of premiums or commissions in any manner, directly or indirectly, nor shall you accept business from or pay any commissions to:

(1) An agent whose name does not duly and rightfully appear on the application; or
(2) Any person not a licensed representative of us.

(g) 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.

(h) Legal Papers. If any paper is served upon you in connection with any legal proceeding which actually or potentially may involve us, then you shall transmit the same to our General Counsel at our Home Office by certified mail within 24 hours after receipt. Any failure on your part to comply with this provision which causes loss or expense to us shall be reimbursed by you to us upon demand.

(i) Litigation. The Company may in its discretion settle any claim of applicants, policyholders or others against the Company in connection with any lawsuit in which the Company is named as a result of any fault or unauthorized action or statement by you, or by any of your employees.

(j) Notice. Written notice to us shall be delivered personally or mailed postage pre-paid, addressed to the President or to a Marketing Vice President at our Home Office, 1905 Teal Road, P.O. Box 7007, Lafayette, IN 47903-7007. Written notice to you shall be delivered personally or mailed postage pre-paid to you at your last known business address according to our records. However, where specifically provided in this Agreement, we may give you notice by publication in our Agents' Reference Manual or our field bulletins. If notice is given by publication, it will be deemed to have been given whenever published by us.

Notwithstanding any term or condition to the contrary, any written notice to you may be transmitted electronically, either (a) via e-mail to you at your last known e-mail address on the Company's records, or (b) via publication electronically by posting to the Company's website at www.LafayetteLife.com, either as a Special Bulletin, or as otherwise part of the Agent Reference Manual applicable to you, or as an electronic record specifically referencing that it is a notice to agents. All notices under (a) shall be deemed given on the date of the electronic mailing. All notices under (b) shall be deemed given on the date of the electronic posting to the Company website.

(k) Entire Agreement.

(1) Entire and Sole Agreement. This Agreement, which includes the attachments, our Agents' Reference Manual and our published field bulletins represents the entire understanding between you and us. Any and all prior representations, statements or agreements between you and us, whether oral or written, not included in this Agreement are merged in this Agreement.

(2) Amendment. This Agreement may be amended only by us, in writing, effective upon notice to you.

(3) Supercedes Previous Contracts. This Agreement terminates and supercedes any previous contracts between you and us as to all business transacted on or after the effective date of this Agreement. However, your right to commissions on policies issued on applications submitted to us under any previous contracts, and our rights concerning any debts to us incurred by you under any previous contracts, still exist.

(l) **Accounts.** We agree to keep an account of all business produced by you, and will periodically render to you an itemized statement of such business. You agree to examine such statement of account immediately and to notify us at once, in writing of any difference between the statement and your personal records. The statement of account is binding upon you for all purposes unless you give written notice to the Company within three months of the date of the statement that the statement is in error. We reserve the right to audit and correct records periodically to preserve accuracy. The Company shall have the right under Section V.(a) to recover any unearned compensation paid to you when any compensation has been paid in error. By signing this Agreement, you authorize the release of information pertaining to you or your business by the Company to those to whom you are assigned, including without limitation compensation information.

VI. Effective Date

This Agreement shall take effect on the date shown below after it has been signed by the Company and provided you are licensed to sell the products described herein by the state or states where you propose to do business. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Indiana.

(If you are a corporation, the President must sign this Agreement and indicate their title.)

______________________________ ______ Individual
Print name of Independent General Agent ______ Partnership
______ Corporation

______________________________ ______
Signature of Independent General Agent Date

____
Signature of Partner or Corporate Secretary (as appropriate)

Recommended by:

____
Signature of Marketing General Agent

Recommended by:

____
Signature of Marketing General Agent (if applicable)

Recommended by:

____
Signature of Independent Marketing Organization

THE LAFAYETTE LIFE INSURANCE COMPANY

____
Effective Date of Agreement

____
Vice President

GLOSSARY OF TERMS

The following terms, as used in this Agreement, shall have the meanings described below:

a. **"Premiums paid"** means premiums that are paid in cash and received by us.

b. **"Policy produced by you"** means the policy we issue upon an application, executed by the applicant, which you solicited, completed and signed as agent.

c. **"First year commission percentage"** means the percentage of the first policy year premiums paid on policies other than universal life policies, produced by you. For universal life policies produced by you, it means the percentage of paid Target Premium.

e. **"Renewal commission percentage"** means the percentage of premiums paid in the second through the tenth policy years on policies other than annuities and other policies that do not have renewal commissions payable thereon (for annuities it means the percentage of premiums paid in policy years after policy year one), produced by you.

f. **"Target Premium"** for universal life policies means the appropriate quantity discount factor, if any, plus that amount of premium calculated by applying the appropriate premium rate per thousand dollars shown for the kind of universal life policy or rider being issued for the primary insured's age times the number of thousands of dollars of specified amount stated in the policy or rider. Target Premium is taken from the initial premium payments received on a universal life policy or rider until the amount of accumulated payments equals the Target Premium. Target Premium is paid only once for each policy or rider.

Target premium rates per $1,000 for each of the various universal life policies and riders listed in the Schedule of Compensation are contained in our most recently issued rate cards.

g. **"Excess premiums"** for universal life policies or riders means all amounts of money received by us during the first policy year as premiums on a universal life policy or rider after an amount equal to the Target Premium for such policy or rider has been paid.

h. **"Target commission percentage"** for universal life policies or riders means the percentage of the Target Premium paid during the first policy year on universal life policies or riders produced by you.

i. **"Excess commission percentage"** for universal life policies or riders means the percentage of the Excess Premiums paid during the first policy year on universal life policies or riders produced by you.

j. **"Service fee percentage"** means the percentage of premiums paid in the eleventh policy year and thereafter on policies other than annuities and other policies that do not have service fees payable thereon, produced by you.

k. **"Optional Benefit"** means Spouse Insurance or a Spouse Insurance Rider, a Children's Insurance Rider, a Waiver of Monthly Deduction Rider, a Waiver of Premium Disability Benefit Rider, an Accidental Death Benefit Rider, an Additional Protection Rider, a Single Premium Paid-Up Additions Rider, a Single Premium Life Rider, a Level Premium Paid-Up Additions Rider, a Flexible Premium Paid-Up Additions Rider, a Guaranteed Increase Option Rider, a Guaranteed Purchase Option Rider, a Term Rider, a 10-Year Renewable Term Rider, a Term Insurance Rider on the primary insured or other insured, a Survivor Purchase Option Rider, or a Payor Benefit Rider, and all new riders developed after the effective date of this Agreement.

l. **"36 Month Current Persistency"** means the composite monthly persistency for the immediately preceding 36 calendar months for you, which we compute according to our published rules. Your 36 Month Current Persistency is contained in a monthly report we send to you.

Independent General Agent Agreement: Schedule of Compensation(A)
Expressed as a percentage of Premiums Paid

		Policy Year									
		First Policy Year Commission	Renewal Commissions								Service Fees
		1	2	3	4	5	6	7	8	9	10	11 & after
Whole Life Plans												
GPWL		80	5	5	4	4	4	4	4	4	4	2
Contender		80	5	5	4	4	4	4	4	4	4	2
Patriot		80	5	5	4	4	4	4	4	4	4	2
PUA Riders												
Single		1.5	0	0	0	0	0	0	0	0	0	0
Level		1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Flexible		1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Term Plans												
The One		40	4	4	4	4	4	4	4	4	4	2
10 Yr. (10 YT -92)		40	4	4	4	4	4	4	4	4	4	2
Elite Series	**10 Yr.**	40	2	2	2	2	2	2	2	2	2	1
	15 & 20 Yr.	45	2	2	2	2	2	2	2	2	2	1
	30 Yr.	55	2	2	2	2	2	2	2	2	2	1
TR-91 Rider		40	4	4	4	4	4	4	4	4	4	2
Other Whole Life Plans												
Protector Simplified Issue Series (WSI)												
WSI Level Pay (Issue Ages 80 and below		75	5.4	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	0
WSI Level Pay (Issue Ages 81-85)		62	5.4	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	0
WSI 10 Pay		42	3	3	3	3	3	3	3	3	3	0
WSI 5 Pay		27	5.4	2.5	2.5	2.5	0	0	0	0	0	0
WSI Single Pay (Issue Ages 30-70)		9	0	0	0	0	0	0	0	0	0	0
WSI Single Pay (Issue Ages 71-75)		8	0	0	0	0	0	0	0	0	0	0
WSI Single Pay (Issue Ages 76-80)		8	0	0	0	0	0	0	0	0	0	0
WSI Single Pay (Issue Ages 81-85)		7	0	0	0	0	0	0	0	0	0	0
Protector – Graded Benefit		62	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	0

Independent General Agent Agreement: Schedule of Compensation
Expressed as a percentage of Premiums Paid

	Policy Year									
	First Policy Year Commission	Renewal Commissions								
	1	2	3	4	5	6	7	8	9	10	11 & after
Annuities(D)											
Marquis Flex 1	1	0	0	0	0	0	0	0	0	0	0
Group Marquis Flex	4.5	3	3	3	3	2	1	0.6	0	0	0
Marquis Flex 5 (Issue Ages below 70)	4.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon 0 (Issue Ages below 70)	4.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon 1 (Issue Ages below 70)	4.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon G (Issue Ages below 70)	4.5	3	2.5	1	0.6	0	0	0	0	0	0
Marquis Flex 5 (Issues Ages 70 and above)	3.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon 0 (Issue Ages 70 and above)	3.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon 1 (Issue Ages 70 and above)	3.5	3	2.5	1	0.6	0	0	0	0	0	0
Horizon G (Issue Ages 70 and above)	3.5	3	2.5	1	0.6	0	0	0	0	0	0
Marquis Flex 10 (Issue Ages below 70)	5.5	4	4	3.5	3.5	3.5	3	2	1	0.6	0
Marquis Flex 10 (Issue Ages 70 and above)	4.5	4	4	3.5	3.5	3.5	3	2	1	0.6	0
Horizon S (Issue Ages below 70)	4.5	0	0	0	0	0	0	0	0	0	0
Horizon S (Issue Ages 70 and above)	3.5	0	0	0	0	0	0	0	0	0	0
SPIA Life Income (Issue Ages Below 70)	3	0	0	0	0	0	0	0	0	0	0
SPIA Life Income (Issue Ages Above 69)	2	0	0	0	0	0	0	0	0	0	0
SPIA Installment Income (3-4 Years)	1.5	0	0	0	0	0	0	0	0	0	0
SPIA Installment Income (5-7 Years)	2.5	0	0	0	0	0	0	0	0	0	0
SPIA Installment Income (8 Years & Longer)	3	0	0	0	0	0	0	0	0	0	0

Asset Based Compensation for Annuities[E]
Expressed in Basis Points (bp)

	Policy Anniversary										
	1	2	3	4	5	6	7	8	9	10	11 & after
Marquis Flex 10	0	0	0	0	6 bp	6 bp	6 bp	6 bp	6 bp	6 bp	10 bp
Marquis Flex 5	0	0	0	0	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp
Group Marquis Flex	0	0	0	0	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp
Horizon 0	0	0	0	0	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp
Horizon 1	0	0	0	0	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp
Horizon S	0	0	0	0	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp	10 bp
Marquis Flex 1	0	55 bp	55 bp	55 bp	55 bp	55 bp	55 bp	55 bp	55 bp	55 bp	55 bp

[A]Except as noted otherwise in this Agreement, commissions and service fees on premiums for Optional Benefits sold as riders will be calculated using the same percentages of such premiums as the commissions and service fees for the policy to which the rider is attached.
No commissions or service fees are paid on dividends used to purchase paid-up insurance.
Policy fees are noncommissionable for the Elite Term Series.

[B]With respect to any Century 2000 policy produced by you, if any portion of the policy value attributable to excess premiums are returned to the owner of the Century 2000 policy within the 24 month period immediately following the receipt and crediting of such excess premium payment(s) by the Company, for any reason including without limitation by reason of withdrawal or surrender, 50% of the compensation previously paid to you as a result of such excess premium(s) will be reversed and charged back, and such compensation previously paid or credited to you as the result of such excess premium(s) shall become your debt to us. This right shall be in addition to our other rights contained in this Agreement.

[C]For Century 2000 and Marquis UL policies produced by you while this Agreement is in effect, asset based compensation is based upon the net accumulated policy value as of the end of the policy year listed, subject to the terms and conditions of this Agreement. For purposes of calculating percentages, 100 basis points equals 1%.

[D]The Marquis Flex 1 refers to the Marquis Flex plan that has a withdrawal charge period of 1 year.
The Marquis Flex 5 refers to the Marquis Flex plan that has a withdrawal charge period of 5 years.
The Marquis Flex 10 refers to the Marquis Flex plan that has a withdrawal charge period of 10 years.

[E]For the annuity policies identified in the Chart of Asset Based Compensation for Annuities that are produced by you while this Agreement is in effect, asset based compensation is payable annually starting at the policy anniversary for a policy as listed in the Chart of Asset Based Compensation for Annuities and is payable on each policy anniversary thereafter while the policy is in force and while this Agreement is in effect. Asset based compensation is calculated as of the date of the applicable policy anniversary. For calculation purposes, 100 basis points equals 1%.

Lafayette Life Insurance Company
Statement of Understanding
The Marquis Series of Products

An equity-indexed product is a fixed interest product with interest crediting determined in part by reference to an equity-based index such as the S&P500®. It is important to note that the majority of equity-indexed products do not invest in the index they use to determine the interest crediting rate. They are not securities and should not be marketed as such. They should be marketed to those individuals interested in guaranteed rates of return and safety of principal, but desiring a rate of return that may exceed traditional fixed products. These will normally be moderately conservative savers that like the tax deferred aspects of life insurance products and may be interested in some diversification through different asset classifications and product designs.

There are a number of equity-indexed products on the market and each has its unique design features. The following is a summary of the Lafayette Life equity indexed product designs. You are asked to review this information carefully, take the brief quiz at the end of the document, and sign at the bottom of the document indicating that you have read and understood this information. Please return this signed sheet with your contracting papers. You will not be allowed to sell an equity-indexed policy with Lafayette Life until we have received a signed copy of this document.

Marquis Flex Annuities: Flexible premium equity-indexed deferred annuities.

Issue Ages: Marquis Flex 5 (5 year withdrawal charge) – 0 to 85; Marquis Flex 10 (10 year withdrawal charge) – 0 to 80.

Premium: Flexible premium may be paid at any time. Minimum Premium: $1,000 per year ($84 automatic monthly withdrawal from checking option). Maximum Premium: $1,000,000 without prior home office approval.

Fixed Option: Premiums may be allocated to a fixed interest option; equity indexed option, or split between both options. Lafayette Life declares the rate of interest for the fixed option. This declaration is usually made monthly although it may be made more often. Once premium is received and allocated to the fixed option, the current interest rate applied to that premium is fixed and guaranteed for one year. Subsequent premium payments will receive the current rate in effect on the date the premium payment is received and that rate will be fixed for one year from that date. This rate is guaranteed to be no lower than 3%.

Interest Earning Period: There will be an initial interest earning period for each net premium payment. If premium is allocated to the fixed interest option, the initial fixed interest earning period for a net premium payment begins on the date such payment is received by us and ends after it has been in effect for one year. Each initial fixed interest earning period for a net premium payment will be immediately followed by additional fixed interest earning periods of one year, in succession. The current fixed interest rate declared in advance of each fixed interest earning period will be set for the one-year interest earning period. If premium is allocated to the equity indexed option the equity indexed earning period will begin at the end of the day on the 15th of the month after the premium has been received and end one year later. Each equity indexed earning period will be immediately followed by additional equity indexed earning periods of one year in succession. The participation rate and caps will be fixed in advance of each equity indexed earning period and apply throughout the one-year equity indexed earning period. Premium received in advance of the equity indexed earning period will receive the then current fixed interest rate until the beginning of the equity indexed earning period.

Index Option – Annual Reset: Premium allocated to the index option will be credited an interest rate based on the S&P500 Composite Stock Index. The interest rate is calculated by determining the value of the S&P500® at the end of the day on the 15th of the month after premium has been received. This value is compared to the value of the index one year later. If the value of the index has increased, the participation rate and cap are applied to the percentage of increase and the resulting percent is applied to the premium. If the value of the index has decreased or the rate of increase times the participation rate has increased less than the guaranteed rate of 3%, then the minimum guaranteed interest rate would be applied to the

premium. Once the index interest rate has been determined it is applied to that premium and the resulting amount is included in the policy value.

Lafayette Life declares the participation rate (the percentage of gain in the S&P500® index that will be passed on to the policyholder subject to the cap) and the cap (the maximum interest rate that can be credited to the policy). This declaration is usually made monthly although it may be made more often. Once premium is received and allocated to the index option, the participation rate and cap applied to that premium is fixed and guaranteed for one year. Subsequent premium payments will receive the current participation rate and cap in effect on the 15th of the month after the premium payment is received and that rate will be fixed for one year from that date. The participation rate can be no lower than 25% and the cap no lower than 3%.

Policy Date and Premium Allocation: The policy will be dated on the date when the initial premium is received. Allocations to the index option will be made on the 15th of every month. Any premium allocated to the index option and received prior to the 15th of the month will receive the daily equivalent of the then current fixed interest rate until the 15th of the month when it will be allocated to the index option. The crediting of any interest to the index option other than the guaranteed minimum interest rate will be done on the 15th of the month following each premium anniversary.

Transfers: Premiums may be allocated to either the fixed option or the index option or they may be allocated to both the fixed and index options. Transfers from one option to the other will be effective on the 15th of the month following the premium anniversary. We should receive notice of the desire for such a transfer prior to the premium anniversary. No transfer will be made after the 15th of the month following the premium anniversary.

Withdrawal Charges: All withdrawal charges date from the policy date (which is the date of the receipt of the original premium) and not from the date of the receipt of subsequent premiums. If a policy has a five-year withdrawal charge period, for example, the withdrawal charge is zero at the end of five years even if additional premiums have been received. Any withdrawals from the equity-indexed option prior to the end of the equity index period will not participate in any indexed interest. By company practice automatic withdrawals of the interest may be taken monthly from the policy in the first year without incurring a withdrawal charge. In subsequent years the automatic withdrawal of interest may continue, or up to 10% of the beginning of year policy value may be withdrawn without a withdrawal charge as long as withdrawal charges are still applicable. The amount that can be withdrawn without a surrender charge is not cumulative. Withdrawals not taken in one year do not increase the amount of withdrawal that can be taken in later years without a withdrawal charge. Any withdrawals taken during the withdrawal charge period and exceeding 10% of the beginning of year policy value during the policy year will be subject to withdrawal charges unless the annuitant is confined to a nursing home or terminally ill. If the annuitant is confined to a nursing home, up to 25% of the policy value on the prior annual date may be withdrawn without a withdrawal charge. If the annuitant is terminally ill, 100% of the policy value may be withdrawn without a withdrawal charge. Any applicable withdrawal charge is waived in the event of the death of the annuitant. The death benefit is the policy value on the date of death.

Markets: The Marquis Flex Equity Indexed Annuity should be used in those cases where the client desires the potential for a higher interest rate than a current, traditional fixed-rate deferred annuity and is willing to accept the risk that the interest rate credited may be lower than the rate currently available on a traditional fixed-rate annuity. It is ideal for those people who have money in fixed interest rate accounts and wish to have the potential of higher interest rate returns. It may also be a good product to use as part of a broader diversification strategy. In addition to its utility as a non-qualified retirement planning vehicle, it is also available as a funding vehicle for IRA's and qualified plans.

Marquis UL

The Marquis UL is an equity-indexed universal life policy. Like the Marquis Flex Equity Indexed Annuities, premium may be applied to either the fixed or equity indexed options or both. If applied to the equity indexed options, the index interest rate is calculated based on the S&P500® subject to participation rates and caps and using the same annual reset method as the Marquis Flex Annuities. The guaranteed interest rate is 2.5%. Premium is

applied to or transferred from the fixed option to the indexed option on the 15th of the month following the receipt of the premium.

Death Benefit: There are two death benefit options available. Option A is a level death benefit; Option B is an increasing death benefit with the death benefit equal to the specified amount plus the policy value. The owner may request a change to this option or to increase or decrease the death benefit. If the owner requests a decrease, a surrender charge will apply if surrender charges are still applicable. A new schedule of surrender charges will then apply for the remaining surrender charge period and future premiums may be reduced. If the owner requests an increase, proof of insurability will be required, new surrender charges will apply to the increase for a 15 year period, and the base premium will be increased.

Surrender Charge: The surrender charge at issue or the surrender charge on any increase in coverage lasts for 15 years. The surrender charge varies by age and underwriting classification, and it is deducted from the policy value to determine the cash value of the policy, but will only be applied when the policy is fully surrendered or, in part, when the specified amount is decreased.

Partial Surrenders: The minimum partial surrender is $500. No partial surrender may reduce the net cash value below $500. A $15 charge will be made for each partial surrender. Withdrawals from the index option during the index period do not participate in any index interest.

Policy Value: The policy value is the accumulated fund that results from the payment of premiums less the monthly mortality charge, the expense charge(s) that is a percent of premium and less the monthly administrative fee. Interest is added to this fund, and monthly deductions are subtracted from it.

Charge	Current	Guarantee Maximum
Percent of Premium Expense		
Up to Target in Policy Year	5%	5%
Over Target in Policy Year	2%	5%
Monthly Administrative Fee	$5	$10

Policy Loans: Loans charged to this policy will be charged to the fixed option. If the loan exceeds the value of the fixed option, a transfer from the index to the fixed option will be made to increase the value of the fixed option to the loan amount. Transfers from the index option prior to the end of an index interest earning period only earn 2.5% interest for the portion of the period completed prior to the transfer.

The policy loan interest rate is flexible but will never exceed an effective annual rate of 8%. The rate of interest credited on the loaned amount is guaranteed to be at least as great as 1.5% less than the loan interest rate. After the 10th policy year, by current company practice, the rate charged on the loan will be the same as the rate credited on the loan amount.

The minimum face amount is $100,000 and issue ages are: 18 to 75 Preferred Underwriting Class; 18 to 85 Non-smokers; and 0 to 85 Standard. The minimum change in face amount is $5,000; maximum premiums are $150,000 at issue and $30,000 per year after issue without prior home office approval.

Markets: Clients who purchase the Marquis UL will need death benefit protection, desire cash accumulation in a life insurance product and want the premium flexibility that a universal life product can provide. They will be moderately conservative in the sense that they are looking for a product with

potentially higher cash value returns than they may be able to receive from traditional fixed-interest universal life policies, but they will also be willing to assume the risk that their returns may not be as high as they might have received from a fixed-interest product. This is not the product to use if one is looking for a low premium permanent life insurance product.

Selling and Prospecting For Equity Indexed Products

For a policy to be viewed as exempt from registration under the Securities Act of 1933, the policy cannot be marketed "primarily as an investment." Based on guidance provided by case law and by the Securities and Exchange Commission, the Company suggests certain practical guidelines that should be followed by agents to avoid the possibility that a policy could be viewed as outside the scope of the exemption from registration under the Securities Act. We cannot emphasize too strongly that the manner in which a policy is marketed is a key fact and circumstance to be considered in determining the status of the policy under the federal securities laws. An insurance product may well be deemed to be a security if marketing emphasis is placed on the product's investment aspects rather than its insurance aspects.

At a minimum, when selling and prospecting for an equity-indexed product, agents <u>should</u>:

- Emphasize that the equity-indexed annuity is designed as an appropriate planning vehicle for retirement income or to enhance overall retirement benefits.
- Emphasize the policy guarantees, including a guaranteed interest rate and guarantee of principal for equity-indexed annuities.
- Emphasized the long-term nature of the policy.
- Emphasize the annuitization benefits and options of the policy. Point out that the death benefit in the policy is not available with noninsurance products.
- Market an equity indexed annuity to retirement savers who seek the guarantees associated with a fixed annuity, but who also want the potential of a greater return, rather than to existing investors who want equity growth with a guarantee.
- If you refer to or discuss the S&P 500 Index, emphasize that it is merely a means to measure index return (i.e., excess interest, if any, above the guaranteed minimum interest) and not as a vehicle for complete participation in the stock market.
- Point out that for equity indexed annuities your prospect will not be taking any market risk on the principal, but that The Lafayette Life Insurance Company will stand behind the product with its guarantees.
- Make sure every prospect gets a copy of the point-of-sale piece, and that every applicant gets a copy of (and signs) (a) the Disclosure Statement and Benefit Summary form for equity indexed annuities, and (b) the illustration for equity indexed life policies.
- Make sure that the prospect understands all the guaranteed and nonguaranteed features of the policy to the best of your ability.

When selling and prospecting for equity-indexed products, agents <u>should not</u>:

- State or imply that the Index return is in any way guaranteed.
- Place undue emphasis on the S&P 500 Index. It is solely a means by which The Lafayette Life Insurance Company will measure the index interest rate of your prospect's equity indexed product.
- Use terms such as "investment performance," "investment returns," "Wall Street" or "stock market."
- State or imply that using the S&P 500 Index ties the policy directly to the stock market.
- Provide a partial or a complete list of the stocks or companies that comprise the S&P 500 Index. (Providing such a list could give a false impression that the policyowner is indirectly investing in those stocks.)
- Emphasize the similarities of the policies to variable policies, mutual funds and other such investment vehicles. Rather, point out the differences and guarantees of equity indexed polices.
- Prepare or use your own sales materials, illustrations or advertising (including all pre-approach letters). All sales materials and advertising for the Marquis Equity Indexed policies must be prepared and approved by the Company's Home Office.

Lafayette Life Insurance Company
Statement of Understanding
The Marquis Series of Products

Review Quiz: True or False

____ The Marquis Flex Annuities and Marquis UL are fixed insurance products and are not securities.

____ The minimum premium for the Marquis Flex Annuities is $1,000 per year ($84 automatic monthly withdrawal from checking option).

____ The current fixed interest rate applied to the first premium is guaranteed for one year. The current fixed rate for subsequent premiums may be different.

____ The equity indexed interest rate is calculated by determining the value of the S&P500® at the end of the day on the 15th of the month after premium has been received. This value is compared to the value of the index one year later. If the value of the index has increased the participation rate and cap are applied to the percentage of increase and the resulting percent is applied to the premium.

____ Once the index interest rate has been determined it is applied to that premium and the resulting amount is included in the policy value.

____ Lafayette Life declares the participation rate (the percentage of gain in the S&P500® that will be passed on to the policyholder) and the cap (the maximum interest rate that will be credited to the policy).

____ The policy will be dated on the date when the initial premium is received.

____ Transfers from one option to the other will be effective on the 15th of the month following the premium anniversary.

____ All withdrawal charges date from the date of the contract and not from the date of the receipt of premium.

____ After the first policy year, the automatic withdrawal of interest may continue, or up to 10% of the beginning of year policy value may be withdrawn without a withdrawal charge as long as withdrawal charges are still applicable.

____ A client who purchases the Marquis UL has a need for death benefit protection, and cash value accumulation with a minimum interest rate guarantee.

____ If premium paid to the Marquis UL is applied to the equity indexed option, returns are calculated based on the S&P500® subject to participation rates and caps and using the same annual reset method as the Marquis Flex Annuities.

____ The surrender charge on the Marquis UL varies by age and underwriting classification, and it is deducted from the policy value to determine the cash value of the policy, but will only be applied when the policy is fully surrendered or, in part, when the specified amount is decreased.

____ Loans charged to this policy will be charged to the fixed interest option.

____ After the 10th policy year, by current company practice, the rate charged on the loan will be the same as the rate credited on the loan amount.

I have read and understand the above descriptions of the Marquis Series of Equity Indexed Products.

______________________________, Agent ________________________________, Date

AGENTS PAYING COMMISSIONS TO A CORPORATION

THE LAFAYETTE LIFE INSURANCE COMPANY
(Company)

Revocable Transfer of Independent Marketing Organization's First Year Life Override Commissions

Date ______________________

______________________ Independent Marketing Organization

______________________ Marketing General Agent

Specified Percentage of First Year Life Override Commissions to be paid to the Marketing General Agent ________%

(The transfer **must** be in increments of 10% of the First Year Life Override Commissions directly attributable to life insurance policies produced by Independent General Agents while assigned to both Independent Marketing Organization and Marketing General Agent.)

The Independent Marketing Organization hereby transfers to the Marketing General Agent the above set forth portion of the Independent Marketing Organization's First Year Life Override Commissions, as defined by and payable under the Independent Marketing Organization's Agreement with the Company, on policies produced by Independent General Agents while assigned to both the Independent Marketing Organization and the Marketing General Agent.

The Independent Marketing Organization reserves the right to revoke this transfer as to policies produced by Independent General Agents after the effective date of such revocation. Neither this Transfer nor any later revocation of the Transfer shall be effective until 30 days after written notice is received and recorded by the Company at its Home Office. Revocation shall not affect commissions payable on the policies produced while the Transfer was in effect.

The Marketing General Agent acknowledges the Independent Marketing Organization's power to revoke this Transfer without the consent or knowledge of the Marketing General Agent. The Marketing General Agent also acknowledges that commissions payable to the Marketing General Agent pursuant to this Transfer are subject to all the provisions of both the Marketing General Agent's Contract with the Company and the Independent Marketing Organization's Contract with the Company.

The Independent Marketing Organization hereby agrees and acknowledges that it shall not demand payment from the Company of any such commissions transferred, and hereby waives any right or claim to any such commissions from the Company.

The Independent Marketing Organization and the Marketing General Agent have executed this document as of the date written above.

(If a corporation, the president must sign this form and indicate their title.)

INDEPENDENT MARKETING ORGANIZATION	MARKETING GENERAL AGENT
Print Name:______________________	Print Name:______________________
Signature:______________________	Signature:______________________

Received and recorded by the Company this ___ day of ______________, year ________.

THE LAFAYETTE LIFE INSURANCE COMPANY

By:______________________
Vice President

2200 Transfer Form(11/14/00)

CPS PRODUCER PROFILE

Please complete this form, and return it to us.
We must have a completed and signed version of this form on file.

Producer Name ______________________________

Company/Corporation Name ______________________________

Fax Number ______________ Email Address ______________

Business Address ______________________________

City ______________ State ________ Zip ________

Home Address ______________________________

City ______________ State ________ Zip ________

Mail to (check one): [ ] Home [ ] Business

Preferred method of receiving correspondence (check one):

[ ] email [ ] fax [ ] mail

Business Phone ______________ Home Phone ______________

Social Security # ______________ Tax ID # ______________

Insurance License Number ______________ Date of Birth ______________

Designations: CLU CPCU ChFC RHU CFP LUTC CIC (circle applicable)

Do you carry E&O insurance? [ ] No [ ] Yes, name of carrier ______________

Do you assign commissions? [ ] No [ ] Yes, to whom ______________

Are you securities licensed? [ ] No [ ] Yes (circle applicable) 6 7 22 24 26 63

If NASD registered, what is the name of your broker dealer? ______________

***** Important, please read and sign other side *****

CPS INSURANCE SERVICES / CA LIC.# 0571612
9 CORPORATE PARK DRIVE, SUITE 100, IRVINE, CA 92606
PHONE 949-863-0700 / PHONE 800-326-5433 / FAX 949-863-9318 / FAX 800-436-8255
LICENSING DEPARTMENT FAX 949-225-7157

IT IS AGREED by and between CPS Insurance Services (hereinafter referred to as MGA), and the producer whose name appears on page 1 (hereinafter referred to as Producer) that in consideration of MGA's continued goodwill and patronage:

A. MGA agrees that commission payment, if any, made by MGA to Producer shall be vested in Producer to the same extent that commissions on the same transaction are vested in MGA by applicable insurance company, with the exception of group insurance which may be subject to a Broker of Record direction.

B. In the event that any commission, premium, or fee paid or credited to Producer must be referenced or returned by MGA to the insurer, MGA is authorized, but not obligated, to make payment on Producer's behalf and will be reimbursed for this payment in full by Producer within thirty (30) days of the date of such payment. If such payment is not made by Producer, then MGA is authorized to debit any commissions which may be due Producer until such obligation has been fulfilled. Producer will also reimburse MGA for any and all costs and expenses (including reasonable attorney's fees) incurred by MGA in collection of any such sums from Producer.

C. Producer agrees to hold MGA harmless and indemnify MGA against any and all liability, loss, damages, judgements, costs or expenses of any nature, type or kind (including reasonable attorney's fees) incurred by MGA or imposed upon MGA as a result of any allegedly wrongful or tortious act or omission on part of the Producer.

D. The Agent/Company consents to the transmission of information, whether personal, commercial or of an advertising nature, by way of the fax number or email address set forth herein, or other fax numbers or email addresses of the agent/company.

In the event of litigation to determine the respective rights, duties and/or obligations of the parties under this agreement, the prevailing party shall be entitled to reasonable attorney's fees.

______________________________ ______________
Producer Date

We appreciate your business.

CPS INSURANCE SERVICES / CA LIC.# 0571612
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