



## Producer Commission Agreement

This Producer Commission Agreement (the "Agreement") is made by and between American General Life Insurance Company and The United States Life Insurance Company in the City of New York (collectively, "Company") and the producer whose name appears below. In consideration of the mutual covenants and other valuable consideration contained herein, the receipt and sufficiency of which are hereby acknowledged, Company and Producer (collectively, the "Parties") hereby agree as follows with respect to business placed with Company by Producer through the Group Benefits division of AIG:

- 1. Commissions/Compensation and Disclosure.** Company will pay Producer commissions for each line of coverage placed by Producer with Company in accordance with the terms and conditions of the proposals made to Producer by Company and as agreed to by Producer, which shall be determined with respect to each case submitted by Producer to Company. Company will pay Producer commissions subject to the following conditions: (a) Producer must be duly licensed by the applicable State Insurance Department(s) and, if required, appointed by Company to sell the insurance provided by the policy; (b) Producer must service the policy for which commission is payable; (c) Company must recognize Producer as the broker of record for the policy at the time in which premium is received under such policy; accordingly, in the event Producer is replaced as the broker of record with respect to a policy, Company shall cease to pay Producer commission on any premiums received after the date on which Producer is no longer the broker of record, regardless of whether such premiums relate to policies that incepted prior to the date on which Producer is replaced as the broker of record for such policies; (d) any commission advances or overpayments have been properly recovered by Company; and (e) the policy for which commissions are to be paid remains in force. Company reserves the right to disclose to its customers or prospective customers the details regarding all forms of compensation payable by Company to Producer.
- 2. Risk Acceptance.** It is understood and agreed that Company retains the sole and exclusive right to (a) bind or commit itself with respect to any proposal, quote or underwriting risk; (b) decline any application for insurance submitted to Company by Producer; and (c) discontinue offering any policy or line of coverage in any jurisdiction(s) in which Company does business.
- 3. Compliance.** Producer agrees to comply with all applicable written guidelines, directives and manuals issued or provided to Producer by Company, which may be amended from time to time by Company in its sole discretion.
- 4. Overpayment/Indebtedness.** It is agreed that any overpayment of commissions that may occur due to administrative error; cancellation of coverage; refund of premium; payment of any advance, if applicable; broker of record change; or any other reason, will be promptly returned to Company by Producer. It is further agreed that Producer assigns and grants to Company a security interest in, a first lien upon, and right of set-off and recoupment, and that Company is authorized to recover overpayment from current or future commission streams owed to Producer by Company or any of its affiliates. Producer agrees to reimburse Company for expenses incurred, including costs and reasonable attorneys' fees, due to the collection of outstanding debt due Company by Producer.
- 5. Independent Contractor.** Producer acknowledges and agrees that it is an independent contractor and not an employee of Company or any of its affiliates.
- 6. Indemnification.** Producer agrees to indemnify and hold harmless Company and Company's affiliates, and their respective shareholders, officers, directors, employees and affiliates, from all claims, losses, liabilities, suits, actions, demands, settlements, judgments, fines, costs, damages, fees and expenses, including, without limitation, reasonable attorneys' fees and expenses, resulting from any acts, errors or omissions of Producer or Producer's employees. Producer agrees to maintain errors and omissions professional insurance coverage covering the acts, errors and omissions of Producer and Producer's employees in connection with Producer's performance of this Agreement.
- 7. Confidential Information and Privacy Obligations.** Producer agrees to use Confidential Information (as defined below) solely for the purposes of this Agreement and not to disclose such Confidential Information to any third party in any form without the prior written consent of Company, or as may be allowed by applicable law. Producer will advise and cause its employees, directors, officers, accountants, attorneys, producers, and representatives (collectively, "Representatives") who will have access to Confidential Information not to use or disclose any Confidential Information for any purpose other than for the purposes set forth in this Agreement, or as allowed by law, and any such use or disclosure shall at all times and in all events be under the terms of and in compliance with the restrictions of this Agreement. As used herein, "Confidential Information" means and includes all information and data provided by

Company to Producer, or acquired or used by Producer pursuant to this Agreement, including Company's business and proprietary information, actual or potential customers, customer lists, strategic alliances, plans, reports, analyses, studies, models, sales data, marketing materials (including, without limitation, illustrations, disclosures and consumer advertising), or any other secret or confidential work, knowledge, know-how, trade secret or business information of Company or its respective affiliates, any information relative to any products, business procedures, coverage, or underwriting rates or pricing. "Confidential Information" also includes all records, files, input materials, reports, books or records, forms and other data or information, whether in written, electronic, or oral form, received, collected, processed, used or stored by, or provided to, Producer, pursuant to this Agreement, including, without limitation, customer, applicant, contract or policy owner information, such as names, addresses, e-mail addresses, account numbers, and financial and health information. Confidential Information does not include information that is or becomes (a) generally available to the public at the time of disclosure; or (b) was independently developed by Producer.

In the event that Producer becomes legally compelled to disclose any of the Confidential Information or take any other action prohibited by this Agreement, Producer will provide Company with prompt written notice for the purpose of enabling Company to seek a protective order or other appropriate remedy, or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained within the time required to provide the Confidential Information, or if no such time period is specified, within thirty (30) days of such written notice to Company, Producer so legally compelled will furnish only that portion of the Confidential Information or take only such action that is, in the opinion of Producer's counsel, legally required, and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be afforded to any Confidential Information so furnished.

Producer shall maintain security procedures to protect against improper disclosure or use of Confidential Information, and shall comply in full with the privacy and security requirements of the Gramm-Leach-Bliley Act ("GLBA") and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), as may be applicable, and any rules and regulations promulgated thereunder. To the extent that any applicable state or regulatory authority's requirements are more stringent than GLBA or HIPAA, Producer's use and/or disclosure of Confidential Information shall be in accordance with such requirements. Except to the extent otherwise required or specifically permitted by Law, Producer's use and/or disclosure of Confidential Information shall be limited solely to the purposes for which such information is disclosed to Producer to perform its obligations under this Agreement.

Producer shall maintain appropriate administrative, technical and physical safeguards to assure that Confidential Information is not used or disclosed other than as provided by this Agreement or as allowed by law. Producer expressly warrants that all Producer personnel with access to the Confidential Information (a) will be advised of, and appropriately trained regarding the confidentiality and privacy obligations required under this Agreement and by law; and (b) will comply in all respects with such obligations.

Producer agrees to report to Company in writing within forty-eight (48) hours of discovering the same, any use or disclosure of Confidential Information not authorized in this Agreement or for a purpose not expressly permitted by law. To the extent such unauthorized use or disclosure occurs, Producer agrees to immediately mitigate, to the greatest extent possible, any harmful effect thereof.

Producer agrees that it will abide by the limitations of Company and its affiliates' current privacy policies as published by Company and its affiliates and as reasonably communicated to Producer from time to time.

If applicable, Producer agrees that Producer will execute as an Addendum to this Agreement a HIPAA Business Associate Agreement in a form satisfactory to Company.

8. **Advertising.** In the event Producer seeks to use any advertising or marketing materials that reference Company or any of its products by name, Producer must submit such materials to Company for its review and approval prior to Producer's use, distribution, or circulation of such materials.
9. **Amendments.** Company reserves the right to amend this Agreement by providing Producer with thirty (30) days' written notice of the change.
10. **Merger.** This Agreement supersedes any and all previous agreements, whether written or oral, between Company and Producer with respect to the subject matter hereof. Accordingly, any and all commissions payable by Company to Producer on or after the effective date of this Agreement, including any commission to be paid with respect to policies or cases sold by Producer prior the effective date hereof, shall be governed by the terms and conditions of this Agreement. Notwithstanding the foregoing, this Agreement shall have no effect on any supplemental compensation that may be payable to Producer by Company under the terms and conditions of any Supplemental Compensation Program sponsored by Company or any Supplemental Compensation Agreement between the Parties.

11. **Notices.** If Producer receives notice of the commencement of any legal, regulatory or administrative proceeding involving Company, or if Producer receives any communication from any state insurance department, other administrative agency, or any person identifying a complaint registered against Company, Producer shall immediately notify Company upon receipt of notice of such proceeding or complaint and immediately forward any correspondence or files to Company.
12. **Termination.** Company may terminate this Agreement at any time for any or no reason. Additionally, this Agreement shall terminate immediately if (a) Producer is no longer appointed by Company; (b) Producer no longer holds any license required by it to sell, solicit or negotiate insurance with Company; (c) Producer breaches any provision of this Agreement; or (d) Producer commits or one of its agents or employees commit fraud, embezzlement, gross negligence or any other legal misconduct.
13. **Survival.** Sections 4, 6, 7, and 10 shall survive termination of this Agreement.

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

**Producer (entity):** \_\_\_\_\_

By: \_\_\_\_\_  
*Signature*

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TIN or SSN: \_\_\_\_\_

By: \_\_\_\_\_  
*Signature*

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_