



SHENANDOAH LIFE
INSURANCE COMPANY

**COMMISSION
SCHEDULE**

Subject to the terms and conditions as set forth in the Contract of which this attachment is a part and while the contract is in force, Shenandoah Life Insurance Company agrees to pay the Agent according to the following terms, conditions and schedule.

I. Commission Rates

A	Policy Year:	1	2-10	11+
		Commissionable Premium*	All Premium	All Premium
SHENANDOAH WHOLE LIFE	Shenandoah Whole Life - Ages 0-80	100%	6%	2.25%
	Scheduled Premium Paid-Up Additions Rider - Ages 0-70	9%	3.25%	2.25%
	Single Premium Paid-Up Additions Rider - Ages 0-80	9%	N/A	N/A
	*Commissionable premium equals:			
	1. The base policy standard premium; plus			
	2. The premium for any attached riders and benefits not listed above or otherwise specified as non-commissionable;			
	3. The premium for any substandard premium (no flat extra) classification.			
	Temporary and permanent flat extra premiums are not commissionable in any year.			
	No compensation will be paid on increases to or additions of the following after policy issue:			
	<ul style="list-style-type: none"> • Accidental Death Benefit Rider • Applicant Waiver of Premium Rider • Cost of Living Rider • Insured Insurability Rider • Waiver of Premium Rider 			
	No premium is associated with the Accelerated Benefit Rider and no commission is payable.			

B	Policy Year:	1	2-5	6-10	11+
		Commissionable Premium*	All Premium	All Premium	All Premium
GOLDEN PROMISE®	Golden Promise® I - Ages 50-80	100%	8%	6.50%	4%
	Golden Promise® I - Ages 81-85	70%	8%	6.50%	4%
	Golden Promise® II - Issue Ages 50-80	100%	5%	5%	4%
	Golden Promise® 10-Pay - Ages 50-70	80%	8%	6.50%	N/A
	Golden Promise® Single-Pay - Ages 50-80	13%	N/A	N/A	N/A
	Golden Promise® Single-Pay - Ages 81-85	6%	N/A	N/A	N/A
	*Commissionable premium equals:				
	1. The base policy standard premium; plus				
	2. The premium for any attached riders and benefits not listed above or otherwise specified as non-commissionable.				
	No compensation will be paid on increases to or additions of the following after policy issue:				
	<ul style="list-style-type: none"> • Accidental Death Benefit Rider • Nursing Home Waiver of Premium Rider 				
	Compensation percentages shown for all premiums for years 11+ are service fees.				

C	Policy Year:	1	2-5	6-10
		Commissionable Premium*	All Premium	All Premium
LEGACY SOLUTION [®] III	Legacy Solution [®] III Single Premium - Ages 50-80	13%	N/A	N/A
	Legacy Solution [®] III Single Premium - Ages 81-85	6%	N/A	N/A
	Legacy Solution [®] III 5-Pay - Ages 50-80	40%	6%	N/A
	Legacy Solution [®] III 10-Pay - Ages 50-75	60%	6%	6%
	*Commissionable premium equals the base standard premium.			
	No premium is associated with the Accelerated Benefit Rider and no commission is payable.			

D	Policy Year:	1	1	1
		Issue Ages 50-80	Issue Ages 60-80	Issue Ages 81-85
LIVING LEGACY [®] III	Single Premium Immediate Annuity and Universal Life Insurance			
	Living Legacy [®] III			
	Non-Qualified	13%		6%
	Qualified		13%	
	The percentages stated above are paid on the single premium deposited into the Single Premium Immediate Annuity contract. No compensation is paid on the Universal Life contract.			
	No premium is associated with the Accelerated Benefit Rider and no commission is payable.			

E	Policy Year:	1	1	2-10	11+
ALTIS®		Maximum Commissionable Premium*	Excess Premium Over Maximum Commissionable Premium*	All Premium	All Premium
	Altis® I & II Ages 0-80	100%	3.25%	3.25%	2.25%
	Altis® 100 Plus Ages 0-80	100%	3.25%	3.25%	2.25%
	<p>*Maximum Commissionable premium equals:</p> <ol style="list-style-type: none"> 1. The base policy Target premium; plus 2. The Target Premium for riders, and supplementary benefits; plus 3. The annual premium on the Disability Income Rider, Non-Occ Disability Income Rider, the Level Term Insurance Rider and the Other Insured Rider; plus 4. The Target Premium for any substandard table classification. <p>Temporary and permanent flat extra premiums are not commissionable in any year.</p> <p>No compensation will be paid on increases to or additions of the following after policy issue:</p> <ul style="list-style-type: none"> • Waiver of Scheduled Deductions Rider • Disability Premium Payment Rider • Accidental Death Benefit Rider • Insured Insurability Rider • Cost of Living Rider <p>No premium is associated with the Accelerated Benefit Rider and no commission is payable.</p> <p>Compensation percentages shown for all premiums for years 11+ are service fees.</p>				
F	Policy Year:	1	2-10	11+	
SHENANDOAH & MORTGAGE TERM			Commissionable Premium*	All Premium	All Premium
	Mortgage Protector® and Shenandoah Term				
	10 Year		90%	3.25%	2.25%
	15 Year		95%	3.25%	2.25%
	20, 25 & 30 Year		100%	3.25%	2.25%
	<p>*Commissionable premium equals:</p> <ol style="list-style-type: none"> 1. The base policy standard premium; plus 2. The premium for any attached riders and benefits not listed above or otherwise specified as non-commissionable; plus 3. The premium for any substandard premium (no flat extra) classification. <p>Temporary and permanent flat extra premiums are not commissionable in any year.</p> <p>No compensation will be paid on increases to or additions of the following after policy issue:</p> <ul style="list-style-type: none"> • Accidental Death Benefit Rider • Waiver of Premium Rider <p>No premium is associated with the Accelerated Benefit Rider and no commission is payable.</p> <p>Compensation percentages shown for all premiums for years 11+ are service fees.</p>				

G	Policy Year:	1	1	1
		Issue Ages 0-70	Issue Ages 71-80	Issue Ages 81-85
SHENANDOAH SERIES ANNUITIES	SPDA2 Nonbonus	7.50%	7.50%	2.50%
	SPDA2 Nonbonus Qualified	7.50%	6.50%	1.50%
	SPDA2 Bonus	6.50%	6.50%	1.50%
	SPDA2 Bonus Qualified	6.50%	5.50%	.75%
	SPIA Annuity	4.50%	4.50%	4.50%
		Issue Ages 0-56		
	FPDA2 Nonbonus:	7.50%		
	Renewal commission on payments made through year 10 at 4% or at the first-year rate, whichever is lower.			
	FPDA2 Bonus:	6.50%		
	Renewal commission on payments made through year 12 at 4% or at the first-year rate, whichever is lower.			

H	Policy Year:	1	1	1	1
		Issue Ages 0-70	Issue Ages 0-80	Issue Ages 71-80	Issue Ages 81-85
SAFE CHOICE® II	Safe Choice® II Annuity:				
	Bonus – Non-Qualified		7%		4.50%
	Bonus – Qualified	7%		6.50%	3.75%

I	Policy Year:	1	1	1	1
		Issue Ages 0-70	Issue Ages 0-80	Issue Ages 71-80	Issue Ages 81-85
SAFE SOLUTION®	Safe Solution® Annuity:				
	Bonus – Non-Qualified		8.50%		5.50%
	Bonus – Qualified	8.50%		7.50%	4%

J	Policy Year:	1	1	1
		Issue Ages 0-70	Issue Ages 0-80	Issue Ages 71-80
INDEX SOLUTION	Index Solution I - Non-Qualified	N/A	7.50%	N/A
	Index Solution I - Qualified	7.50%	N/A	6.50%
	Index Solution II - Non-Qualified	N/A	6%	N/A
	Index Solution II - Qualified	6%	N/A	5%

K	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	
	0-64	65-80	81 & Older	0-64	65-80	81 & Older	0-64	
MEDICARE SUPPLEMENT	<u>Attained Age States</u>			<u>Issue Age States</u>				
	<u>KS,KY,LA,MD,MS,NC,OK</u>			<u>Arizona & Georgia</u>				
	Years 1-6	2%	22%	11%	Years 1-6	N/A	20%	10%
	Years 7-10	2%	7%	3.50%	Years 7-10	N/A	7%	3.50%
	<u>Colorado</u>			<u>Florida</u>				
	Years 1-6	22%	22%	22%	Years 1-6	N/A	20%	15%
	Years 7-10	7%	7%	7%	Years 7-10	N/A	7%	5.25%
	<u>Indiana *</u>			<u>Missouri</u>				
	Years 1-6	N/A	23%	11.50%	Years 1-6	20%	20%	20%
	<u>Michigan</u>			<u>Years 7-10</u>				
	Years 1-3	N/A	28%	14%	Years 7-10	7%	7%	7%
	Years 4-10	N/A	7%	3.50%				
	<u>Ohio</u>							
	Years 1-6	N/A	22%	22%				
	Years 7-10	N/A	7%	7%				
	<u>Pennsylvania</u>							
	Years 1-6	2%	20%	10%				
	Years 7-10	2%	7%	3.50%				
	<u>Texas</u>							
	Years 1-7	2%	21%	10.50%				
Years 8-10	2%	7%	3.50%					
<u>All Other States</u>								
Years 1-6	N/A	22%	11%					
Years 7-10	N/A	7%	3.50%					

VI. Service Fees

If your contract with Shenandoah Life is in force, the following service fees will be paid as follows. The following service fees will not be paid after termination of the contract, notwithstanding Article IX of the contract.

A	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	Issue Ages	
	0-64	65-80	81 & Older	0-64	65-80	81 & Older	0-64	
MEDICARE SUPPLEMENT	<u>Attained Age States</u>			<u>Issue Age States</u>				
	<u>KS,KY,LA,MD,MS,NC,OK</u>			<u>Arizona & Georgia</u>				
	Years 11+	2%	2%	1%	Years 11+	N/A	2%	1%
	<u>Colorado</u>			<u>Florida</u>				
	Years 11+	2%	2%	2%	Years 11+	N/A	2%	1.50%
	<u>Indiana</u>			<u>Missouri</u>				
	Years 11+	N/A	N/A	N/A	Years 11+	2%	2%	2%
	<u>Michigan</u>							
	Years 11+	N/A	2%	1%				
	<u>Ohio</u>							
	Years 11+	N/A	2%	2%				
	<u>Pennsylvania</u>							
	Years 11+	2%	2%	1%				
	<u>Texas</u>							
	Years 11+	2%	2%	1%				
<u>All Other States</u>								
Years 11+	N/A	2%	1%					

*The Part B deductible portion of the premium is commissionable only in the state of Indiana.

Submission of an application following the effective date of this supplement constitutes acceptance by the Agent.

II. Delivery Receipt, Sales Illustrations, and Internal Replacements

- A. The Company reserves the right to require a signed policy delivery receipt and a complete illustration signed by the policyowner and the subagent, prior to the payment of compensation for the subject policy. In the event commission is paid prior to the receipt of the signed delivery receipt or illustration, the Company reserves the right to make a Compensation Chargeback as specified below.
- B. First-year commission rates may be reduced or eliminated on policies involving internal replacement. Refer to current Company published Guidelines for Internal Exchange.

III. Compensation Chargeback

Compensation Chargebacks shall result in the following situations. In the event that any insurance contract is rescinded or processed as a Not Taken by the Company for any reason, all compensation paid to the Agent on that contract shall be charged back to the Agent and/or IMO. If any delivery requirement is not received within 30 days of policy issue, Compensation Chargeback will result. If a life insurance contract lapses during the first year and compensation has been advanced to the Agent, any unearned compensation shall be a Compensation Chargeback.

Upon termination of the Agent contract, any unearned advanced compensation shall be a Compensation Chargeback.

If any annuity policy or single premium life insurance policy is surrendered in the first year, the entire compensation paid to the Agent for the sale of that policy shall be a Compensation Chargeback. A Compensation Chargeback will result on any withdrawal or partial withdrawal of principal during the first policy year. For annuity policies with issue ages 76-85, the entire compensation paid to the Agent for the sale of that annuity shall be a Compensation Chargeback if the annuitant dies during the first six months of the policy year; fifty percent of the compensation paid shall be a Compensation Chargeback if the annuitant dies during the last six months of the policy year, provided; however, there will be no Compensation Chargeback if the beneficiary leaves the full annuity value with the Company.

The Agent shall immediately repay all Compensation Chargebacks to the Company.

IV. Advances

- A. The Company may, at its sole discretion, advance a specified percentage of first-year commissions in accordance with its published advancement schedule.
- B. The amount advanced is dependent on the product, and is based on the following:
 - 1. for UL policies other than Altis® I, II and Altis® 100 Plus, the fully commissionable premium; plus
 - 2. for Altis® I, II and Altis® 100 Plus, the amount advanced is based on the smaller of:
 - a. the planned annual premium less any flat extra premium; and
 - b. the fully commissionable premium.
 - 3. for traditional policies, the first-year annualized premium less any flat extra premiums; and
 - 4. for flexible premium annuities, the stipulated annual premium.
- C. Advancing of first-year commissions is permitted on:
 - 1. policies sold on monthly mode (EFT, Government Allotment or Payroll Deduction List Bill); and
 - 2. increases in coverage to base policies or riders or additions of riders but not supplemental benefits; and
 - 3. special frequency modes (9 and 10 months) for annuities.
- D. Advancing is not permitted on policies written on the producer’s immediate family or on policies that have been reinstated.
- E. Advances will be a percent of commission set forth on the advancement schedule up to a maximum of \$3,500 per policy.
- F. Advances reversed due to mode changes will not be readvanced if policy is placed back on EFT; commission will be paid as earned.

V. Amendments

The Company reserves the right to modify or amend the Commission Schedule at any time during the term of the Contract with thirty (30) days written notice.

Name of Agent (Individual or Corporation) (Print or Type)

Signature of Agent or Authorized Officer, if Corporation

(Date)

Name of Independent Marketing Organization

HOME OFFICE USE

Signature of Shenandoah Life Company Officer



**SUPPLEMENT TO
COMMISSION SCHEDULE
(Form 4944)
Effective July 1, 2008**

I. Commission Rates

Subject to the terms and conditions as set forth in the Agent Contract of which this supplement is a part and while the contract is in force, Shenandoah Life Insurance Company agrees to pay commissions as a percentage of the single premium to the Agent according to the following terms, conditions and schedule. Subsection I. is hereby amended by replacing existing Subsection I. with the following Subsection I.

I	Policy Year	1	1	1	1
		Issue Ages 0-70	Issue Ages 0-80	Issue Ages 71-80	Issue Ages 81-85
SAFE SOLUTION® II	Non-Qualified		8.00		4.50
	Qualified	8.00		6.50	3.50

Except as provided above, the terms and conditions of the Agent Compensation Schedule (Form 4944), as amended, remain unchanged and in full force and effect.

Submission of an application following the effective date of this supplement constitutes acceptance by the Agent.

AGENT CONTRACT PROCEDURES CHECKLIST

Please complete the following enclosed forms. *Do not submit the Contract, unless all required forms are also enclosed.*

- #4330 Producer Data Sheet**
Must be completed thoroughly and signed by the Agent. Also, include a copy of agent resident and non resident licenses (if applicable) corresponding with the agent or corporate agent name appearing on the contract. This is a required form.
Commonly missed items you must provide:
◆ Birth Date
◆ Social Security Number
◆ Must answer background questions
- #5058 Agent's Declaration and Authorization**
Must be signed by the Agent. This is a required form.
- #4854 Direct Deposit Authorization - EFT**
All commission payments are deposited to the Agent's checking or savings account. This is a required form. Must provide a voided check for checking account information. If using a savings account, we must receive written confirmation from the bank of the savings account and routing numbers.
- #4944 Commission Schedule**
Must be signed by the Agent. IMO name must be written on the Commission Schedule. This is a required form.
- #4842 Commission Advance Request**
Must be signed by the IMO. No Agent signature required. Not a required form.
- #4843 Beneficiary Designation Form**
Allows Agent to designate a beneficiary to receive money payable according to the Agent contract from the company after the death of the Agent. We are unable to accept multiple beneficiaries, or minors as beneficiaries. Not a required form.
- #4943 or #5444 Contract**
Must be signed by the Agent. Complete section A only or section B only. IMO name must be written on the contract. This is a required form.
- #5055 Contracting Transmittal**
Must be completed and signed by the IMO.
- ERRORS & OMISSIONS INSURANCE**
A minimum of \$1,000,000 E&O liability coverage (\$1,000,000 aggregate and \$1,000,000 per claim) is required. Submit a copy of policy or certificate face page as proof of coverage, or submit the enrollment form for the Shenandoah Life sponsored program, along with your check to CalSurance (if applicable). Brochure enclosed.

agentproc - Rev. 11/06

To contact Contracting & Licensing, please call: (800) 848-5433. Stacy McLaughlin, ext. 4348; Lynn Shepherd, ext. 4470; Wanda Williams, ext. 4335; Genita Trusclair, ext. 4308 or Nancy Rutherford, Manager, ext. 4481. Agency Services Fax: 540-857-5976.

PRODUCER DATA SHEET

Date _____

PLEASE PRINT OR TYPE
PERSONAL

First	Middle	Nickname	Last	Designations
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Home Address	City	State	Zip	County
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Social Security Number	Date of Birth	Home Phone	Marital Status	Spouse
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BUSINESS

Name	E-mail Address
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Business Mailing Address	City	State	Zip	County
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Business Street Address	City	State	Zip	County
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Tax ID Number	Business Phone	Fax Number	Years in Insurance
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Yes No Have you ever been charged with, convicted of, or pled guilty or no contest to a felony or misdemeanor or are any such proceedings pending?
 If yes, explain _____

Yes No Have you ever had an insurance license denied, suspended, or revoked by a state insurance department or been the subject of any disciplinary or administrative action, or fined or penalized or are any such proceedings pending?
 If yes, explain _____

Yes No Do you have an outstanding debit balance with any insurance company?
 If yes, explain _____

Yes No Have you ever filed for bankruptcy? If yes, what year? _____
 Chapter 7 Chapter 11 Chapter 13

ERRORS AND OMISSIONS (Attach a copy of your certificate)

Agent Errors and Omissions insurance carrier _____

If you do not have a current carrier, you should complete our brochure. Errors and Omissions coverage is mandatory for all Shenandoah Life producers.

LICENSING

1. Attach a copy of your life and health licenses as applicable. NJ residents please sign and enclose your state's Child Support Addendum along with your license.
2. **Medicare Supplement Licensing:** We must have a record of your health line of authority if you plan to sell Medicare Supplement. If you are in NC, we must have a copy of your NC Medicare Supplement license.
3. Will you personally write business?..... Yes No
4. If you plan to recruit, in which states will the agents you recruit write business? _____

ACCESS TO SOFTWARE / SHENANDOAH LIFE ELECTRONIC INFORMATION

- Yes No I prefer to download Shenandoah Life software electronically from StarNet and do not want software mailed to me.
 Yes No I want immediate electronic access to my commission statement (available for printing from StarNet) - no paper copy will be mailed.



**THIS FORM MUST BE SIGNED AND RETURNED IN ORDER
FOR US TO PROCESS YOUR CONTRACTING PAPERWORK**

PUBLIC LAW 91-508 (PLEASE READ)

In making this application, it is understood that an investigative consumer report may be prepared whereby information is obtained through personal interviews with your neighbors, friends, or others with whom you are acquainted. This inquiry includes information as to your character, general reputation, personal characteristics and mode of living. You have the right to make a written request within a reasonable period of time to receive additional detailed information about the nature and scope of this investigation.

In addition, Shenandoah Life may obtain and use a consumer credit report for purposes of making an appointment decision, and Shenandoah Life may disclose that report to a contracted Independent Marketing Organization agent or agency in connection with that decision.

Shenandoah Life may utilize a clearinghouse to share information with other companies. This authorizes Shenandoah Life to release and receive information concerning your performance as an agent or your debit balance.

I hereby acknowledge that I have received notice of PUBLIC LAW 91-508, and hereby consent to the preparation of such a consumer credit report on myself. I also certify that the answers provided in the producer data sheet (Form 4330) are true and correct to the best of my knowledge and belief.

X _____
Signature of Producer

Date

THIS INFORMATION WILL BE HELD IN STRICTEST CONFIDENCE

_____ **Minnesota and Oklahoma Applicants Only:** Please check here to have a copy of your consumer report sent by the consumer reporting agency to you at the address listed on the Producer Data Sheet.

**Direct Deposit Authorization
for
Electronic Funds Transfer (EFT) for Shenandoah Life Producers**

Please Note: EFT is required for all producers.

The requested information must be received before the contract will be made effective.

I authorize Shenandoah Life Insurance Company to deposit all Individual business commission payments to my checking or savings account indicated below:

FINANCIAL INSTITUTION INFORMATION:

Account Number: _____

Bank Transit/ABA Routing Number: _____

ACCOUNT TYPE:

- () **Checking** Must attach a VOIDED CHECK.
- () **Savings** Verify with your financial institution that this EFT will be accepted and obtain the Transit/ABA Routing Number

Financial Institution Name: _____

City, State, Zip: _____

Telephone Number: _____

AGENT INFORMATION:

Agent Name: _____ Agent Number: _____

Date: _____ Signed: _____

Commissions are generated by check until the authorization is completed by the bank, usually within one or two pay periods.

All banks guarantee to process within three business days of receiving the funds.

SHENANDOAH LIFE INSURANCE COMPANY

COMMISSION ADVANCEMENT REQUEST

The Company, at its discretion, may advance commissions earned on products sold in accordance with the terms below.

Monthly Electronic Fund Transfer

% first-year commissions may be advanced on policies sold on Electronic Fund Transfer.

Government Allotment and Payroll Deduction (List Bill)

% may be advanced at settle.

% may be advanced at paid.

All other modes will be paid as earned. Commission advancement means that the percentage shown above of the first-year commission is paid in a lump sum at the time the policy is issued.

In the event that a policy on which advanced commissions were paid terminates during the first 12 policy months, for any reason other than death of the insured, the Company will immediately charge back the unearned portion of the advance. Policies written on the agent or the agent's immediate family do not qualify for advancement. The Company will not advance commissions on a policy that has been reinstated.

The Company reserves the right to cancel, modify or remove any agent from commission advancement. Reasons for removal include, but are not limited to, poor persistency, poor quality business, or excessive debit balances, as determined solely by the Company. The maximum commissions advanced will be limited to \$3,500 per policy.

Individual Agent or Corporate Agent Name (Please Print)

IMO Name (Please Print)

IMO Signature

Date



BENEFICIARY DESIGNATION

This form is used to enable the Agent to designate a beneficiary to receive money due the Agent from the Company after the death of the Agent. Unless this form is completed and received by the Company prior to the Agent's death, money due the Agent posthumously under the contract shall be paid in the following order of preference:

1. The spouse of the Agent if he or she survives the Agent by more than 30 days; or
2. The Agent's estate, executors or administrators as determined by the Company.

The Agent should review the tax consequences of this designation with his or her tax advisor.

I designate the following as my beneficiary under my Agent Contract.

Name of Beneficiary	Relationship to Agent
Street Address	
City, State, Zip	

Name of Contingent Beneficiary	Relationship to Agent
Street Address	
City, State, Zip	

THIS DESIGNATION SUPERSEDES ANY PREVIOUS DESIGNATION

Name of **Agent** (please print)

Date

X _____
Signature of **Agent**

Witness



SHENANDOAH LIFE INSURANCE COMPANY

PARTIES TO THE CONTRACT

This contract is made and entered into between Shenandoah Life Insurance Company hereafter referred to as "Company"; and the party or parties indicated on the signature page, hereafter referred to as "Agent." Company and Agent recognize that this contract is entered into in accordance with the Independent Marketing Organization contract between Company and Independent Marketing Organization indicated on signature page.

BUSINESS RELATIONSHIP

It is the intention of the Company to establish and develop a long term relationship with the Agent. The Company recognizes that in order for this relationship to last, there are certain underlying business practices which must be consistent as to the Company and the Agent. Along with compliance with all statutory laws, rules, and regulations to which the parties are subject, both the Company and Agent must share the desire to provide value, as well as fair and honest service to the policyholder and each other.

The Company hereby appoints the Agent to represent it subject to the following mutually agreed upon terms and conditions.

I. RESPONSIBILITIES OF THE PARTIES

The Agent agrees to:

- A. Treat any money received or collected for the Company as property held in trust, and promptly remit such money to Company at its home office in Roanoke, Virginia.
- B. Adhere to the Company's requirements for the collection of any premium paid upon application for the Company's products.
- C. Comply with the underwriting and issue requirements of the Company as well as any and all applicable legal requirements of the state or states in which the Agent does business.
- D. Inform the Company of any and all facts of which the Agent is aware or becomes aware, relating to: a) any of the Company's products applied for or issued to a policyholder, and b) the health of any proposed applicant.
- E. Hold harmless and indemnify the Company from all losses, expenses, costs and damages resulting from any acts by the Agent or its subagents which breach the terms of this contract.
- F. Assist the Company in keeping its insurance policies in force.
- G. Carry such Errors and Omissions insurance coverage as the Company may require.
- H. Adhere to all Company requirements including those related to policy application, illustration, and delivery.
- I. Train and exercise general supervision over subagents affiliated with the Agent.

The Company agrees to:

Contract and appoint individuals as agents or licensees (hereafter referred to collectively as "subagents") when requested by Agent, provided that such individual meets Company's guidelines for appointment.

II. LIMITATION OF AUTHORITY

The Agent has no authority and specifically agrees not to:

- A. Bind the Company to any promise or agreement; incur any debt, expense or liability whatsoever in the Company's name or for its account; or receive any money due or to become due the Company, except the initial premium on applications or policies, subject to the Company's requirements for the acceptance of such money and except where the Agent and the Company execute a separate collection agreement in writing.
- B. Deliver any policy or allow delivery of any policy until the initial premium required by the Company has been paid in full. The Agent or its subagents shall ask the policyholder if the policyholder is in the same condition as to health, habits, occupation and other facts as represented in the application for this policy. If the policyholder indicates that a change has occurred in any of the above areas, the Agent shall not deliver the policy, and the Company shall be informed of such change.

- C. Make, modify, or change any insurance contract, or bind the Company by making any promises respecting any insurance contract except when authorized in writing to do so by the President or a Vice President of the Company.
- D. Use any material, including but not limited to all written material or audio or video tapes, to solicit a sale of any of the Company's products, regardless of whether the Company's name is on such material, without written approval of the material by the Company.

III. COMPLIANCE / MARKET CONDUCT

- A. The Agent specifically agrees that he or she will comply with all Company regulations regarding the use of illustrations. Further, the Agent agrees to use only complete illustrations which have been provided by the Company or generated on software provided by the Company to market the Company's products. The Agent agrees to use only the most current version of the illustration software and accompanying instructions which have been provided by the Company.
- B. The Agent agrees that it will allow the Company to review all sales programs, techniques, and methods, including all material shown to or provided to an applicant or client, which are used in the solicitation or servicing of the products produced by the Company.
- C. The Company shall advise Agent of any action or complaint by a state department of insurance relating to the Agent or any of its subagents and shall provide Agent copies of all correspondence relating to such action or complaint unless Company is precluded from doing so by state or federal law, regulation or rule or any order of any official of any state or federal agency. The Agent will cooperate with the Company in the investigation of any inquiry or complaint by any individual or any state or federal agency. Cooperation shall consist of preparation of a written response addressing the issues raised in the inquiry or complaint as well as providing the Company with a copy of all applicable marketing materials.

IV. COMPENSATION

The Company will compensate the Agent according to the compensation schedule in effect at the time the insurance contract is written or modified.

V. GENERAL PROVISIONS

- A. No assignment of this contract or any rights under this contract shall be binding on the Company without its written consent, and any such assignment shall be subject to offset or recoupment for any money due the Company by the Agent as provided for in this contract.

- B. The Company shall make available at the Home Office within 30 days of Agent's written request, all records related to business placed with the Company by the Agent or its subagents for inspection and examination by the Agent or its authorized representative. The Company, or its authorized representative may perform periodic written reviews and/or audits of all records of the Agent related to business placed with the Company by the Agent and its subagents. Company shall give Agent thirty (30) days written notice of such reviews and/or audits.
- C. The Company shall have the right to offset against any money due the Agent by the Company or recoup any money due the Company by the Agent or its subagents. As security for this right of offset, the Agent hereby agrees that the Company shall have a first and prior lien against the compensation provided for under this contract or any previous contract between the Company and the Agent to the extent of any money due the Company from the Agent. In addition to this right of offset, any money due the Company from the Agent or its subagents is immediately due and payable, and the Agent agrees to pay any and all costs, fees and expenses of collecting any such money due the Company. The Company shall have the right to charge the maximum rate of interest allowed by law, not to exceed 12%, on money due the Company from the Agent and the Agent shall pay such interest if charged.
- D. The Agent shall not have exclusive rights of distribution for any product issued by the Company or for any geographic territory.
- E. The Agent shall be solely liable for the expenses of operating and maintaining the Agent's agency without contribution from the Company.
- F. The Agent is an independent business person and shall be free to exercise independent judgment as to the time and place of performing all acts under this contract. The Agent shall be free to represent other insurance companies as the Agent sees fit. In all respects, the relationship of the Agent to the Company shall be that of an independent contractor and not an employee of the Company.
- G. The Agent and its subagents agree to notify the Company and the Company agrees to notify the Agent promptly upon receipt of any oral or written communication from an applicant, policyholder, other individual, or state regulatory agency setting forth a complaint relating to the Company policies sold by the Agent or its subagents or the Agent or subagent's conduct in the solicitation, sale and servicing of Company's policies and contracts. The

Company shall have the right to determine the ultimate disposition of such complaint and to make corresponding adjustments to the commission account of the Agent. Any such determination by the Company shall be binding on the Agent and its subagents.

- H. The Company shall furnish the Agent with a statement of account at such intervals as determined by the Company but no less frequent than semimonthly. Such statement shall be complete and conclusive evidence of accounts between the parties to this contract, and shall be binding on the Agent unless objection is made in writing by the Agent and received by the Company within 60 days after the statement is mailed by the Company. In addition, Company will promptly deliver to Agent copies of all correspondence, including but not limited to lapse notices between Company and policyholders or former policyholders solicited under this contract.
- I. The failure of either party to enforce any of the provisions of this contract shall not constitute a waiver by that party of any such or other provisions of the contract.
- J. This contract shall replace any and all previous contracts between the Agent and the Company.
- K. This contract will be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without giving effect to its conflict of laws principles and rules. Jurisdiction over any matters of dispute arising under or by virtue of the Agreement shall rest exclusively in either the state courts of the Commonwealth of Virginia or the federal courts having jurisdiction over the Commonwealth of Virginia.

VI. SOLE AND EXCLUSIVE PROPERTY

- A. All reports, training materials, manuals, and records, including computer-related materials (such as CDs, disks, tapes, cassettes, etc.), containing client, sales and/or product information, illustration software, etc., are and shall remain the sole and exclusive property of the Company, subject to inspection and review by the Company at any and all times.
- B. The Agent agrees to surrender the above items, and any and all copies thereof, to the Company immediately upon demand or upon termination of this contract. Agent further understands and agrees that the Company has the right to terminate Agent's right to access Company systems, including but not limited to StarNet.
- C. The Agent further agrees not to take or copy any

forms, policies, manuals, policyowner lists, CDs, diskettes, tapes, cassettes, or other materials which are the property of the Company. The Agent also agrees to return all licenses, money, policies, manuals, books, papers, sales materials, reports, records, forms, and all other property of the Company then in his charge and control.

VII. TERMINATION IN GENERAL

- A. This contract, along with any and all riders, supplements, schedules, amendments, or endorsements to the contract, along with any license or appointment of the Agent and its subagents by the Company, may be terminated 30 days after written notice is provided by the Company or the Agent to the other, in person or to the last known address of the party to be notified.
- B. This contract, along with any and all riders, supplements, schedules, amendments or endorsements to the contract, along with any license or appointment of the Agent and its subagents by the Company, will terminate immediately upon the termination of the contract with the Independent Marketing Organization or upon the death of the Agent.
- C. Any terms of this contract which by their nature extend beyond its termination, except as specified in Section VIII, shall remain in effect until fulfilled.

VIII. TERMINATION FOR CAUSE

- A. The Company, at its option, may terminate this contract at any time immediately upon written notice and **for cause** if the Agent engages in any act of fraud, misappropriation or mishandling of funds, or any other misconduct damaging to the Company, violates any of the terms of this contract, fails to pay a debit balance on demand, violates any state insurance law or regulation, or misrepresents Company's products or its financial condition.
- B. Further, the Company, at its option, immediately upon written notice, may terminate this Agreement **for cause** or may permanently discontinue payments made pursuant to this Agreement after termination, if Agent, at any time, (a) takes any action or sanctions any action which results in the cancellation, lapse or surrender of Company's policies; or (b) endeavors to induce representatives to discontinue their contracts or appointments with Company.

IX. PAYMENTS AFTER TERMINATION

- A. Except as otherwise provided for herein, upon termination of this contract, the Company shall continue to pay compensation to the Agent in accordance with the other provisions of this contract and the compensation schedule in effect at the time of termination.
 - 1. No bonuses will be earned or payable after the date of termination of the contract.

- 2. All compensation due under this contract shall be terminated after any calendar year in which the Agent's total compensation shall be less than \$500 for that year. For example, if the Agent's total compensation in a given year is \$501, the Agent will continue to receive compensation the following year. If the Agent's total compensation is \$499 in a given year, no further compensation will be due the Agent under this contract.
 - 3. Upon termination, all compensation will be paid by electronic fund transfer.
- B. In the event that this contract is terminated due to the death of the Agent, any compensation accruing after the date of termination will be paid, subject to Sections V. C.

- and VIII. above, in the following order of preference:
- 1. A beneficiary named by the Agent on forms provided by the Company and received by the Company prior to the Agent's death; or
 - 2. The spouse of the Agent if he or she survives the Agent by more than 30 days; or
 - 3. The Agent's estate, executors or administrators as determined by the Company.
- C. If this contract is terminated for cause in accordance with Section VIII, all future and current compensation due Agent shall be forfeited.

PLEASE PRINT OR TYPE

Complete Section A only if the Agent is contracting with the Company as an individual (in which case, all Agent level compensation will be paid to the Agent as an individual). Complete Section B only if the Agent is incorporated and this contract is between the Company and the Agent's corporation (in which case, all Agent level compensation will be paid to the corporation unless the Agent completes a separate Agent contract as an individual with the Company).

SECTION A

SECTION B

Individual Agent Name (Print or Type)

Signature of Agent

Social Security Number

Corporate Agent Name (Print or Type)

Signature of Authorized Officer

Name of Authorized Officer (Print or Type)

Federal Tax Identification Number

Name of Independent Marketing Organization (IMO) _____

HOME OFFICE USE

Signature of Shenandoah Life Company Officer _____

This contract shall take effect on _____ and subsequent contract years shall begin with the anniversary of this date.

Agent Number _____



PRODUCER BUSINESS ASSOCIATE ADDENDUM

Effective June 1, 2006

This agreement (the "Addendum"), is an addendum to, and the parties agree it is to be considered part of the producer contract ("Producer Contract"), by and between Producer and Shenandoah Life Insurance Company, and its purpose is to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, and the privacy and security regulations implemented thereto, with respect to Protected Health Information in connection with applicable insurance policies when such information may be obtained by Producer.

I. DEFINITIONS

Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy Rule and Security Rule.

- A. Company shall mean Shenandoah Life Insurance Company.
- B. Individual shall be applicants and policyholders of applicable Shenandoah Life Insurance Company policies and shall otherwise have the same meaning as the term "individual" in 45 CFR § 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- C. Privacy Rule shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
- D. Protected Health Information, "PHI", shall have the same meaning as the term "Protected Health Information" in the Privacy Rule, 45 CFR § 164.501, limited to such information created or received by Producer from or on behalf of Covered Entity in connection with applicable Shenandoah Life Insurance Company policies. While fully detailed in the Privacy Rule, PHI includes information that relates to the past, present, or future physical or mental health of an individual; the provision of health care to an individual; and the past, present, or future payment for the provision of health care to an individual, where any such information identifies the individual or there is a reasonable basis to believe the information can be used to identify the individual. Information considered to be PHI, in addition to general health information, can include demographic information and any identifying information such as names, addresses, phone numbers, birth dates, social security numbers, e-mail addresses and account numbers.
- E. Producer shall mean an insurance producer with whom the Company has entered into a Producer Contract pursuant to which a producer may sell Company insurance products where PHI is obtained.
- F. Required By Law shall have the same meaning as the term "required by law" in 45 CFR § 164.501.
- G. Security Rule shall refer to those regulations applicable to and identified as "Security Standards for the Protection of Electronic Protected Health Information" at 45 CFR Parts 160 and 164.

II. OBLIGATIONS AND ACTIVITIES OF PRODUCER

- A. Except as otherwise limited in this Addendum, Producer may use or disclose PHI as required to carry out its responsibilities under the Producer Contract on behalf of Covered Entity provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity. Producer may only use PHI as approved by Company and to complete and submit an application; to assist as necessary during the processing of the application; to assist the Individual with service-related items in the event a policy is issued; and/or pursuant to a use as subsequently agreed to by Company.
- B. Producer agrees to not use or disclose PHI other than as permitted or required by the Addendum or as Required By Law.
- C. Producer agrees to use appropriate safeguards to prevent any use or disclosure of PHI contrary to those uses or disclosures permitted in this Addendum.
- D. Producer agrees to mitigate, to the extent practicable, any harmful effect that is known to Producer of a use or disclosure of PHI by Producer in violation of the requirements of this Addendum.
- E. Producer agrees to report to Covered Entity any use or disclosure of the PHI not provided for by this Addendum of which it becomes aware.
- F. Producer agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Producer on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Addendum to Producer with respect to such information.
- G. As Covered Entity deems it appropriate in order to meet the requirements of the Privacy Rule in providing Individuals with access to PHI, an accounting and amendment of such PHI, Producer agrees to, within fifteen (15) calendar days of a request

by the Covered Entity (1) provide to Covered Entity requested PHI or information relating to PHI, such as accounting information; and (2) make any amendments to PHI that the Covered Entity directs or agrees to pursuant to 45 CFR § 164.526. If Producer receives a request from an Individual to access PHI, to have an accounting, make amendments to PHI, Producer will not perform the requested action, but will forward the request to Company within five (5) business days.

- H. Producer agrees to make internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by Producer on behalf of Covered Entity, available to the Covered Entity, or to the Secretary of the U.S. Department of Health and Human Services, within ten (10) calendar days of a request, or as otherwise designated by said Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- I. Producer agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- J. Security Rule. Producer shall:
 - 1. In accordance with the Security Rule, implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality of electronic PHI that it creates, receives, maintains or transmits on behalf of the Covered Entity;
 - 2. ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect such information; and
 - 3. Report to the Covered Entity any security incident of which it becomes aware. "Security incident" includes the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- K. Indemnification. Producer shall indemnify and hold harmless the Company, its employees, officers and directors, from and against all claims, damages, losses, liability, penalty and expenses, including attorneys' fees, resulting in any manner from the failure of Producer to comply with its obligations under this Addendum.

III. TERM AND TERMINATION

- A. Term. This Addendum shall terminate in accordance with the termination provisions of the Producer Contract, or terminate sooner as provided for in this Addendum.
- B. Termination. Upon Covered Entity's knowledge of a material breach of this Addendum by Producer, Covered Entity shall either:
 - 1. Provide an opportunity for Producer to cure the breach or end the violation and terminate this Addendum and the Producer Contract if Producer does not cure the breach or end the violation within the time specified by Covered Entity; or
 - 2. Immediately terminate this Addendum and the Producer Contract if Producer has breached a material term of this Addendum and cure is not possible.
- C. Effect of Termination. Upon termination of this Addendum, for any reason, Producer shall destroy all PHI received on behalf of or from Covered Entity if not already destroyed. This provision shall apply to PHI that is in the possession of subcontractors or agents of Producer.

IV. MISCELLANEOUS

- A. Regulatory References. A reference in this Addendum to the Privacy Rule and Security Rule means the applicable regulation as in effect or as amended.
- B. Amendment. The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule, the Security Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- C. Survival. The respective rights and obligations of Producer under Section III of this Addendum, as well as the indemnification provision, shall survive the termination of this Addendum.
- D. Interpretation. Any ambiguity in this Addendum shall be resolved to permit Covered Entity to comply with the Privacy Rule and Security Rule.

Your signature on the Contract and submission of an application following the effective date of this addendum constitutes your acceptance of the addendum and your agreement to be bound by its terms.



CONTRACTING TRANSMITTAL
This form must accompany the Contract

IMO Name: _____ IMO Signature: _____

IMO Office Contact Person: _____ Date: _____

Phone: _____ Fax: _____

Type of Request: ___ New ___ Reinstatement ___ Hierarchy Change

Agent/Appointee Name: _____

Checklist for Required Forms: Do not submit contract unless these forms are enclosed.

- Producer Data Sheet #4330
- Signed Contract(s)
- E&O Enrollment Form or Proof of Coverage (minimum \$1,000,000 liability)
- EFT Direct Deposit Authorization #4854 and Voided Check
- Resident License (Non-Resident if applicable)
- Agent's Declaration and Authorization #5058
- Signed Commission Schedule #4944

Checklist for Optional Forms:

- Yes No Commission Advancement Form #4842
- Beneficiary Designation Form #4843
- Assignment of Commissions Form

REQUEST FOR APPOINTMENT

Resident License State _____

Agent is currently licensed and needs a non-resident appointment(s) in _____, _____, _____, _____ (send copy of current license and fees)

Agent will need a first time non-resident license(s) in _____, _____, _____

NOTE: Unless the state(s) in which an agent is licensed and appointed with Shenandoah Life issues perpetual licenses, the agent is required to furnish a current copy of each license for the states in which the agent represents Shenandoah Life.

COMMISSION HIERARCHY SCHEDULE

IMO hereby directs a portion of its commissions payable under its contract with Shenandoah Life; such commissions shall be payable in accordance with the contract between the writing agent and Shenandoah Life

Writing Agent _____ Schedule _____ Agent # _____

Reports to _____ Schedule _____ Agent # _____

Resident License _____ Non-Resident License(s) _____

Reports to _____ Schedule _____ Agent # _____

Resident License _____ Non-Resident License(s) _____

Reports to _____ Schedule _____ Agent # _____

Resident License _____ Non-Resident License(s) _____