



Standard Life and Accident Insurance Company

An Oklahoma Corporation • A Member of the American National Family of Companies

Marketing Office: 2450 South Shore Blvd. Suite 500, League City, Texas 77573

Phone: 1.888.290.1085 Fax: 281.538.3393

CONTRACT TRANSMITTAL

Please send all contracting material to fax number or mailing address above.

NAME OF AGENT _____

HIERARCHY

GENERAL AGENT _____ S.S.# _____

GENERAL AGENT _____ S.S.# _____

MARKETING GENERAL AGENT Jerry Hill _____ S.S.# M-0753 _____

NATIONAL MARKETING DIRECTOR _____ S.S.# _____

DO NOT OMIT ANY OF THE FOLLOWING FORMS WHEN SUBMITTING A NEW CONTRACT

- PERSONAL HISTORY FORM
- CONTRACTS (Both Originals Signed)
- COMMISSION SCHEDULES (Both Originals Signed)
- COMMISSION REQUEST FORM (Optional)
- AUTOMATIC DEPOSIT FORM
- PRODUCERS CODE OF CONDUCT
- W-9
- AUTHORIZATION (FAIR CREDIT REPORTING ACT)
- NOTICE OF PRIVACY
- COPY OF CURRENT LICENSE FOR ALL STATES
IN WHICH AGENT IS TO BE APPOINTED
- LETTER OF CERTIFICATION (Virginia Only)

LICENSE FEE \$ _____ STATE _____

EXAM FEE \$ _____ STATE _____

NON-RES LICENSE FEE \$ _____ STATE _____

APPLICATION TO REPRESENT THE AMERICAN NATIONAL FAMILY OF COMPANIES

American National Insurance Company (ANICO) Standard Life And Accident Insurance Company (SLAICO)

First Mr. Mrs. Ms.	Middle (No Initials)	Last	Include Professional Designation	Social Security Number
Date of Birth	Preferred Greeting or Nickname	Spouse's Name		Business Telephone Number ()
Mailing Address	City	County	State	ZIP Code
Residence Street Address	City	County	State	ZIP Code
If you have lived at address above less than 5 years enter your prior address			State	ZIP Code

Send all mail to Residence Address Business Address _____

Is the contract to be in the name of a corporation or partnership? YES NO If Yes, please submit corporate license.

If "Yes" Name _____ City & State _____

Tax ID No. _____ Partnership? Corporation?

All other names utilized, including maiden, aliases, etc. _____

Please answer all questions below with careful thought and be as accurate as possible. A "yes" answer won't disqualify you from being an agent with Standard Life, but an inaccurate answer might!

PERSONAL HISTORY:

TO PROCESS YOUR CONTRACT - PLEASE ANSWER ALL QUESTIONS "YES" OR "NO".

IF MORE SPACE NEEDED - ATTACH SEPARATE PAGE.

1. Have you ever been contracted with SLAICO or ANICO? YES NO
If yes, which: _____ Year _____
2. Are you currently obligated under a non-compete agreement with any insurance company or agency? YES NO
3. Have you ever filed for financial relief or Bankruptcy? YES NO
Date filed _____ Chapter _____ Date Discharged or Closed _____
If within last two years, attach copy of discharge or closure.
4. The Violent Crime and Control Act of 1994 makes it a criminal offense for anyone who has been convicted of any criminal felony involving dishonesty or a breach of trust to willfully engage in the business of insurance. Have you ever been indicted or convicted of any such Felony? If "Yes" give specifics as to charge, date, jurisdiction and outcome on a separate page. YES NO
5. Are you presently indebted to any insurance company or agency? If "Yes," please give specifics as to the nature and amount. YES NO

To Whom	Nature of Debt	Amount	*Payment Terms

6. Do you now have or have you had in the last 10 years any federal, state, tax liens, judgements or garnishments? YES NO

To Whom	Nature of Debt	Amount	*Payment Terms

7. Do you have or have you ever had an Insurance Department complaint or action regarding your insurance practices or license? (If Yes, give details & dates) _____ YES NO

8. Has a deficiency claim been made against you for any past insurance transactions? YES NO
If "Yes", please give specifics as to the nature and amount. _____

9. a. Are you currently covered by errors and omissions insurance? YES NO
If "Yes", please attach a copy of the declaration page.
- b. Have you ever filed an errors and omissions claim? YES NO

10. Have you ever been cautioned or disciplined for violating a professional code of ethics in any organization? YES NO
11. Have you ever been expelled or disciplined by a professional organization? YES NO
12. What do you consider to be your main insurance product and marketing interest?

13. How did you hear about SLAICO and or ANICO?

CONTRACT OR EMPLOYMENT RECORD

Please record below your employment or contracts for the last 5 years. If attending school, please give name and location of school. If unemployed during this time, please give dates and reasons. If space is insufficient, please complete on separate sheet. (If you are currently selling insurance -Give Name of Company - Not "Self Employed" or Name of Agency.)

May we contact you at your present place of business? YES NO

BEGIN WITH PRESENT OR MOST RECENT

Company Name (Also Include Supervisor Name)	Address	City-State	Phone	Dates	Average Yearly Annualized Premium Produced
1.					
2.				From	
				To	
3.				From	
				To	

Current Primary Company _____

Are you currently licensed? LIFE _____ A&H _____ Both _____ LICENSE# _____

Do you currently hold any Non Resident License? _____ If so, what states? _____

If currently holding Kansas license, please provide copy of license, even if not soliciting business in Kansas.

If being appointed non-resident in Florida, please provide all counties soliciting business. _____

Have you sold insurance through another name or through any agency in the past five years? YES NO

If "Yes", please specify _____

PLEASE ATTACH A COPY OF YOUR CURRENT LICENSE(S) TO YOUR CONTRACTING PAPERS

The person signing this form as "Applicant" hereby acknowledges that they are not obtaining a license/appointment with SLAICO or ANICO for the sole purpose or intention principally to solicit or place insurance on the applicant's own life or that of relatives, employer's or employees.

I have read and agree to comply with the contents of the Notice of Privacy Policy Form ST-905, Producer's Code of Conduct Form ST-449 and the advertising guidelines adopted by Standard Life And Accident Insurance Company.

Furthermore, each of the undersigned declares for himself/herself, and other interested parties, that all of the answers in the pages of this application and any supplements to it are full, complete and true to the best of his/her knowledge and belief. In addition, the undersigned specifically attests that the Social Security Number or Tax Identification Number on the application is the correct number for the entity applying for appointment with Standard Life And Accident Insurance Company.

I, the applicant, have read, on the date shown below, a copy of the above statements as required by law. I have also read, understood, and signed a copy of Authorization Form ST-510. I understand that in signing this form and form ST-510, I hereby authorize the Company, at any time, to investigate my background, including my credit history. I understand that the Violent Crime and Control Act of 1994 makes it a criminal offense for anyone who is engaged in the business of insurance to willfully permit anyone who has been convicted of any criminal felony involving dishonesty or a breach of trust to participate in the business of insurance and I recommend that this applicant be contracted with the company.

Signature of Applicant _____ Date _____

Marketing General Agent: Jerry Hill M-0753 Date _____

(If Applicable) Approved by National Marketing Director _____ Date _____

Agent Contract

With
STANDARD LIFE & ACCIDENT INSURANCE COMPANY
One Moody Plaza • Galveston, TX

_____ FOR _____ _____ Agent

CONTRACT PROVISIONS

APPOINTMENT, TERRITORY AND RELATIONSHIP

1. Standard Life and Accident Insurance Company (hereinafter designated as "Company") appoints the person named above as its Agent (hereinafter designated as "Agent") with the authority and obligations hereinafter set forth. The Agent hereby accepts such appointment subject to the terms and conditions hereof.
2. The Agent shall solicit only in the territory where the Company officially appoints said Agent. In no event will said Agent be appointed any territory exclusively.
3. The Agent's relationship with the Company shall be that of independent contractor. Nothing in this Contract shall be construed as creating the relationship of employer and employee. The Agent shall be free to exercise independent judgment as to the persons from whom applications are solicited and the time, place and manner of solicitation. If training courses, sales methods and materials, office facilities or similar aids and services are extended or made available to the Agent, it is agreed that the purpose and effect thereof shall not be to give the Company control of the Agent's time or direction or control over the manner or means by which the Agent shall conduct business but only to assist the Agent in such business and to comply with state insurance department regulations.

AUTHORITY AND LIMITATIONS

4. The Company hereby authorizes the Agent to solicit applications for ordinary life insurance, annuities and health insurance.
5. The Agent's power or authority shall extend no further than as expressly stated in this Contract. No power or authority shall be implied from the grant or denial of powers specifically mentioned herein. The Agent shall have no authority to, and agrees not to do or attempt to do, any of the following:
 - A. Solicit applications for the Company in any manner prohibited by or inconsistent with the provisions of this Contract, the rate book or the rules and regulations of the Company, now or hereafter in effect.
 - B. Enter into any agreement or incur any obligation on behalf of the Company, except with its written permission.
 - C. With respect to any policy,
 - (1) make any alterations, modifications or endorsements or otherwise alter the Company's obligations thereunder unless authorized in writing by the Company;
 - (2) charge special rates or extend the time for paying premiums;
 - (3) waive forfeiture;
 - (4) make or cause delivery of any policy
 - (a) unless the first premium has been paid in full, and
 - (b) unless the applicant is in good health.
 - D. Initiate any civil or criminal action or proceeding, whether or not brought in the name of the Company, which may in any way involve or affect the Company, its business, its operations or any policy issued by it.
 - E. Use or authorize the use of any written, oral or visual communication or publication used as advertising of any Company product, except with the prior written approval of the Company.
 - F. Pay or allow or offer to pay or allow any rebate of premium, directly or indirectly.
 - G. Violate the insurance laws or the regulations of the Insurance Department of any state in which the Company's business is transacted.
 - H. Induce or influence policyowners or annuitants to relinquish their policies or contracts with the Company.
 - I. Do anything to induce or influence representatives of the Company to leave its service.
 - J. Withhold any funds, policies or receipts after demand has been made upon said Agent by the Company.
 - K. Misapply or embezzle funds or property of the Company.
 - L. Perpetrate any fraud against the Company.

ACCOUNTING AND FISCAL RESPONSIBILITY

6. All checks and money orders received by the Agent for or on behalf of the Company shall be held by the Agent in trust for the Company and shall be immediately transmitted to the Company in accordance with the Company's rules and practices.
7. The Company shall have, and is hereby given, a valid first lien on all commissions, service fees and any other compensation payable under this or any prior contract with the Company as security for the payment of any and all debts or claims due or to become due to it from the Agent. The Agent hereby agrees to pay interest on any such outstanding indebtedness at the maximum rate of interest permitted by law. In the event of default on any debt or claim due or to become due to the Company from the Agent, the Company is authorized, without notice and without any judicial action, to foreclose its lien by crediting any or all of such commissions, service fees or other compensation, accrued or to accrue, toward the reduction of such debt or claim. The lien created hereby shall not be extinguished by termination of this Contract.

COMPENSATION FOR PERSONAL PRODUCTION

8. The Company will pay to the Agent the First Year Commissions, Renewal Commissions and Service Fees at the rates and for the policy years set forth on the Schedule of Commissions herein, when the respective premiums on policies personally produced by the Agent under the Schedule of Commissions are actually due and paid to the Company, subject to the following provisions:
 - A. If a policy personally produced by the Agent is lapsed for non-payment of premiums and is subsequently reinstated except through the direct efforts of the Agent, the payment of future compensation shall thereafter be governed by the Company's rules and practices.
 - B. Should the Company refund any premium on any policy produced by the Agent, any compensation received by the Agent on such premium shall be returned immediately to the Company. No compensation will be paid on any premium waived by the Company on any policy produced by the Agent.

TERMINATION

- 9. This Contract shall be terminated (without notice, unless expressly required) in any of the following events:
 - A. Either party to this Contract giving to the other written notice of desire to terminate the Contract at least thirty (30) days prior to the day fixed for its termination, such notice to be delivered personally or mailed to the other party at such party's last known address; or
 - B. The death of the Agent; or
 - C. The Agent's total and permanent disability, construed in accordance with the interpretation of the Disability Premium Waiver provision of the Company's whole life policies being issued at the time of such disability; provided, however, the Company shall be the sole and final judge of such interpretation; or
 - D. The Agent's violation of any of the provisions contained in paragraph 5 hereof.

VESTED COMPENSATION

- 10. The following provisions relating to compensation shall apply after termination of this Contract:
 - A. If such termination is for any cause other than the agent's death or disability or the agent's violation of any of the provisions contained in Sections F, G, H, I, J, K or L of paragraph 5, the agent will receive the First Year Commission and Renewal Commission as provided in paragraph 8 hereof.
 - B. If such termination is due to the death of the agent, the First Year Commission and Renewal Commission provided in paragraph 8 hereof, unless assigned, will be paid to the surviving spouse if this option is elected. Otherwise the commission will be paid to the executors, administrators or assigns of the agent.
If such termination is due to the agent's disability in accordance with section C of paragraph 9, the agent will receive the First Year Commission and Renewal Commission as provided in paragraph 8 hereof.
 - D. If the agent has violated any of the provisions contained in sections F, G, H, I, J, K or L of paragraph 5 at, before or after such termination, all commissions and all other compensation due or to accrue to the agent under this or any previous Schedule of Commissions between the agent and the Company shall be forfeited to the Company.
 - E. No commissions or other compensation shall be payable after such termination except as provided in this paragraph, and all commissions or other compensation otherwise payable hereunder shall be subject to the lien established in paragraph 7 and to any assignments by the agent.
 - F. The Company will not pay service fees on policies personally produced by the agent after termination except when termination of this Contract is due to the agent's (1) death; (2) disability; or (3) voluntary termination at or after the agent's 60th birthday provided the agent has 10 years continuous service with the Company. In the event of the preceding (1), (2) or (3) the compensation to be received during the 2nd through 10th policy years only shall be all Renewal Commissions and Service Fees payable under the Schedule of Commissions less 2½%.
 - G. In the event Renewal Commission averages less than \$50.00 a month during any calendar year after termination, no further commission shall be paid.

COMMISSION ELECTION

In the event of the agent's death the unassigned commission shall be payable to the surviving spouse unless this election is terminated, by delivery to Licence, Appointment and Contract Department, P.O. Box 1875, Galveston, TX 77553-1875, a written revocation signed by the agent prior to the agent's death.

YES _____ NO _____

SIGNATURE _____

GENERAL PROVISIONS

RECORDS AND SUPPLIES

- 11. The Agent shall keep correct accounts and records of all business transacted and money collected for the Company, which accounts and records shall be open at all times to inspection and examination by the Company's authorized representatives. All accounts, records, rate books, application forms and any supplies furnished the Agent by the Company shall be the property of the Company and shall be returned to the Company upon demand.

GENERAL PROVISIONS (Continued)

RESERVED RIGHTS OF THE COMPANY

12. The Company reserves the following rights:

- A. To adopt rules and practices from time to time establishing
 - (1) First Year Commissions, Renewal Commissions and Service Fees on policies not listed in the Schedule of Commissions, and amending such rules and schedules on future policies, provided only that such action shall be general among all representatives of the Company or shall be required by law or by the rulings of an insurance department;
 - (2) commissions on any new policy which, in the judgment of the Company, is a "changed policy" taking the place of a terminated policy issued by the Company;
 - (3) commissions on conversions;
 - (4) commissions on reinstated policies.
- B. To withdraw the future issuance of any policy;
- C. To withdraw from any territory;
- D. To modify or change its premium rates;
- E. To decline to issue a policy to any applicant;
- F. To adopt rules and practices from time to time relating to any matter not otherwise provided in this Contract, including but not limited to, minimum production requirements.

WAIVER

13. No act of forbearance on the part of the Company to enforce any of the provisions of this Contract shall be construed as a modification of this Contract, nor shall the failure of either party to exercise any right or privilege herein granted be considered as a waiver of such right or privilege.

ASSIGNMENT

14. No assignment of this Contract or of any compensation payable hereunder shall be valid unless authorized in advance in writing by the Company.

MODIFICATION OR AMENDMENT

15. Any modification or amendment of this Contract must be in writing and duly executed by the parties hereto.

CONTINUITY OF SERVICE

16. In the event this Contract supersedes any contract between the Agent and the Company executed and effective after October 1, 1976, then service shall be deemed continuous for all purposes with such superseded contract.

RECEIPT OF LEGAL DOCUMENTS

17. If any citation or other paper shall at any time be served upon or received by the Agent concerning any claim, suit, action or special proceedings by or against the Company, the Agent shall immediately transmit it by certified mail to the Administrative Office of the Company at One Moody Plaza, Galveston, TX 77550. If the Agent neglects, refuses or fails to do so, the Agent agrees to pay the Company, upon demand, the amount of any loss, damage, cost, attorney's fees or expenses which may have been occasioned by the failure to transmit such document immediately.

SOLE AGREEMENT

18. This Contract constitutes the sole agreement and supersedes all prior contracts between the parties hereto.

IN WITNESS WHEREOF, this Contract is executed in duplicate on _____, 20 ____
 and will become effective as of _____, 20 ____

Agent

STANDARD LIFE AND ACCIDENT INSURANCE COMPANY

By: _____

TO BE COMPLETED BY MARKETING OFFICE

RECOMMENDED BY

General Agent

General Agent

M-0753

Marketing General Agent



AGENT 1

Schedule of Commissions

This Schedule of Commissions hereby cancels and supersedes all previously effective Schedules of Commissions without prejudice to any commissions or service fees earned under the provisions of such prior Schedules of Commissions. The commission rate shown applies if the policy forms are available for sale in your state.

LIFE				PLATINUM 2001 ANNUITIES	
	1st Yr	2nd-6th		Platinum 2001-0	
Protector Series				Age 0-75	9.1%
Whole Life	90%	4.5%		Age 76-80	7.1%
Limited Death Benefit**				Platinum 2001-1	
Age 50-65	62.5%	4.5%		Age 0-75	8.1%
Age 66-70	52.5%	4.5%		Age 76-80	6.1%
Age 71-75	45%	4.5%		Platinum 2001-2	
Age 76-80	40%	4.5%		Age 0-75	7.1%
Single Premium Universal Life				Age 76-80	5.1%
Age 50-69	10%			<i>In the first year, a total surrender or death will result in a charge back of 100% of the commission. For a partial surrender, only the portion of the surrender that incurs a charge will be subject to a commission charge back.</i>	
Age 70-79	9%				
Age 80+	7%				
	1st Yr	2nd-10th	Thereafter*		
Future Executive II	57%	3.3%	2.5%		

*Rates for the second year and thereafter include a 2.5% service fee.

**Commission will be charged back in the event of a non-accidental death in the first policy year.

PLATINUM ANNUITIES

Age 0 - 74

	1st Yr	2nd Yr	3rd Yr	4th Yr	5th Yr	Thereafter
Platinum Plus	6.6%	5.6%	4.6%	3.6%	2.6%	2.6%
Platinum Plus 1	6.6%	5.6%	4.6%	3.6%	2.6%	None
Platinum Plus 3	5.6%	4.6%	3.6%	2.6%	2.6%	None
Platinum Plus 5	4.6%	3.6%	2.6%	2.6%	2.6%	None
Platinum Plus 7	3.6%	2.6%	2.6%	2.6%	2.6%	None

Age 75 and over

Platinum Plus	5.2%	4.2%	3.2%	2.2%	1.2%	1.2%
Platinum Plus 1	5.2%	4.2%	3.2%	2.2%	1.2%	None
Platinum Plus 3	4.2%	3.2%	2.2%	1.2%	1.2%	None
Platinum Plus 5	3.2%	2.2%	1.2%	1.2%	1.2%	None
Platinum Plus 7	Not Available					

In the event of a surrender, either total or partial, in the first two policy years, commission will be charged back at the following percentage: a) First Year-100% of commission; b) Second Year-50% of commission; c) Thereafter-none. For a partial surrender, only the portion of the surrender that incurs a charge will be subject to a commission chargeback.

MEDICARE SUPPLEMENT

All States Except: AR, FL, GA, ID, IN, MI, MO, MT, WA, WV*

	1st-6th Yr **	Select 1st-6th**	Thereafter**
<i>Iss Age To-79</i>	20%	19%	2%
<i>Iss Age 80-84</i>	15%	14%	2%
<i>Iss Age 85+</i>	7.5%	7%	2%
<i>Int Repl Age To-79</i>	11%	10%	2%
<i>Int Repl Age 80-84</i>	10%	9%	2%

ARKANSAS*

	1st-6th Yr **	Select 1st-6th**	Thereafter**
<i>All Issue Ages</i>	15%	14%	2%
<i>Int Repl All Issue Ages</i>	9%	7.5%	2%

GA MO MT*

	1st-6th Yr **	Select 1st-6th**	Thereafter**
<i>Iss Age To-79</i>	19%	18%	2%
<i>Iss Age 80-84</i>	15%	14%	2%
<i>Iss Age 85+</i>	7.5%	7%	2%
<i>Int Repl Age To-79</i>	11%	10%	2%
<i>Int Repl Age 80-84</i>	10%	9%	2%

FLORIDA*

	1st-10th Yr **	Select 1st-10th**	Thereafter**
<i>All Issue Ages</i>	8%	7%	1%

IDAHO*

	1st-10th Yr **	Select 1st-10th**	Thereafter**
<i>All Issue Ages</i>	16%	15%	1%

MICHIGAN*

	1st-3rd Yr **	Select 1st-3rd**	4th -10th Yr **
<i>Iss Age To-79</i>	24%	21%	2%
<i>Iss Age 80+</i>	18%	15%	2%
<i>Int Repl Age To-79</i>	16%	13%	2%
<i>Int Repl Age 80+</i>	13%	11%	2%

WEST VIRGINIA*

	1st-5th Yr**	Select 1st-5th**	Thereafter**
<i>Iss Age To-79</i>	19%	18%	5%
<i>Iss Age 80-84</i>	15%	14%	5%
<i>Iss Age 85+</i>	7.5%	7%	5%
<i>Int Repl Age To-79</i>	11%	10%	5%
<i>Int Repl Age 80-84</i>	10%	9%	5%

**The appropriate commission rate will be paid on the lesser of the original premium, not including the portion for the Part B deductible, or the renewal premium, not including the portion for the Part B deductible.*

***Service Fee is equal to 5% after 1st year. Florida and Idaho Service Fee is equal to 4% after first year. Michigan renewal commission will be 1% after 10th year.*

	1st-6th Yr **	Select 1st-6th**
INDIANA		
<i>Iss Age To-79</i>	14.5%	13.5%
<i>Iss Age 80-84</i>	12.5%	11.5%
<i>Iss Age 85+</i>	6.3%	5.8%
<i>Int Repl Age To-79</i>	11%	10%
<i>Int Repl Age 80-84</i>	10%	9%
WASHINGTON	All Years	Select All Years
<i>All Issue Ages</i>	12.5%	11.5%
<i>Int Repl All Issue Ages</i>	7%	6%

Accepted BY: _____
 Representative

 Agent Code (SSN)

 Date Signed

Standard Life and Accident Insurance Company

 To be completed by the Home Office



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Phone: 1.888.290.1085 Fax: 281.538.3393

COMMISSION REQUEST FORM

NAME: _____

QUICK PAY

SOCIAL SECURITY NUMBER: _____

COMMISSION ADVANCE

Quick Pay is a system that pays the Representative the earned commission only on policies issued and paid during the prior week.

The following provisions apply only for persons requesting the Commission Advance Plan.

- 1. The Company will advance the Representative a percentage of the First Year Annualized Commission for each policy issued and paid that was personally produced by the Representative. Such advance payments will be made while this Request Form is in force and at intervals specified by the Company. The percentage of the First Year Annualized Commission so advanced will be in accordance with the following Schedule:*

<i>Mode of Initial Premium</i>	<i>Percentage of Annualized Commission to be Advanced</i>
<i>Annual</i>	<i>100%</i>
<i>Semi-Annual</i>	<i>75%</i>
<i>Quarterly</i>	<i>25%</i>
<i>Check-O-Matic</i>	<i>75%</i>
<i>Salary Deduction Franchise Billing</i>	<i>75%</i>
<i>Monthly</i>	<i>Earned Only</i>

- 2. "Issued and Paid" means that the full initial premium for the policy has been received by the Home Office, the policy has been issued and delivery requirements, if any, have been satisfied.*
- 3. Advance payments will be no greater than the Representative's weekly maximum budget. This maximum budget may be increased by the Company after a record of increased production is established by the Representative.*
- 4. The Company reserves the right to adjust future advance payments for the first year lapse of policies previously advanced under the terms of this Request form.*
- 5. The Company, in accordance with the terms of the Representative's Contract, shall have a first lien on all commission to secure payment of all indebtedness due the Company from the Representative.*

Signature of Representative: _____

Date: _____



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AUTOMATIC COMMISSION DEPOSIT PLAN

INSTRUCTIONS FOR PARTICIPATION

To participate in the Automatic Commission Deposit Plan you must authorize Standard Life to deposit your commissions to your checking or savings account.

1. Complete and sign the authorization agreement for the automatic commission deposit and your commissions will be credited to the account you select.
2. Be sure to attach a personalized voided check to the authorization agreement.
3. Your commissions should be credited to your account approximately three to five working days after the normal weekly or monthly cut off.

After the authorization is received at Standard Life's Home Office it will take approximately three to four weeks to process, including the required pre-notification to your bank. Also, all additions or changes to the Automatic Commission Deposit Plan will take effect on the first of the following month.

Changing banks or changing accounts in the same bank will require that a new authorization agreement be completed and sent in with a personalized voided check. In some instances this could require that commissions be sent to you in the form of a check until your new automatic commission deposit is in place.

Cancellation of the Automatic Commission Deposit Plan must be in writing to Standard Life Licensing, P.O. Box 1875, Galveston TX 77553-1875.



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AUTHORIZATION AGREEMENT FOR AUTOMATIC COMMISSION DEPOSITS

I hereby authorize Standard Life and Accident Insurance Company, hereinafter called COMPANY, to deposit to my account indicated below the commission I am due for any pay period. I also authorize the Financial Institution indicated below, hereinafter called Financial Institution, to credit the same to such account. Should an over deposit be made the Financial Institution is authorized to debit such account and return to COMPANY the amount of any such overage.

NAME _____
(Financial Institution)

CITY _____ STATE _____

SELECT ONLY ONE: _____ CHECKING _____ SAVINGS

This authority is to remain in full effect until COMPANY has received written notification from me of its termination in such time and manner as to afford COMPANY and FINANCIAL INSTITUTION a reasonable opportunity to act on it.

NAME _____ AGENT CODE _____
(Please Print)

DATE _____

SIGNED _____

ATTACH PERSONALIZED
VOIDED CHECK HERE

**INSURANCE ACTIVITIES REQUIRING PERSONS TO BE LICENSED IN
VIRGINIA**

Per the request of the Virginia Bureau of Insurance, I hereby certify, under penalty of perjury under the laws of the State of Virginia, that I have received, read, and understand the information provided to me in reference to the Administrative Letter 2002-8 (discusses the many changes in Virginia laws governing the licensing and other activities of insurance agents, consultants, and other licensees) and Administrative Letter 2002-9 (discusses what activities require agents/agencies to be licensed and what activities are and are not permitted for those who are not licensed as insurance agents) of the Virginia Bureau Insurance Code. Both Administrative Letters may be located via the Bureau of Insurance web site at:

<http://www.state.va.us./scc/division/boi/webpages/administrativetrselection.htm>

Date _____

By _____
(Signature)

Print Name _____
(If corporation, please print corporate name & principal of corporation.)

Social Security Number/
Tax ID Number _____

Branch Office Number
(if known) _____



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Phone: 1.888.290.1085 Fax: 281.538.3393

Producer's Code of Conduct

**As a representative of Standard Life and Accident Insurance Company,
I recognize my responsibility to:**

Conduct myself in the highest character, with honesty, integrity and fairness at all times;

Provide information to clients in a professional manner which is honest, relevant and designed to meet the client's needs, and appropriate to their circumstances;

Fully understand and accurately represent the Company's products and services;

Ensure my personal interests do not conflict with those of clients or the Company;

Render prompt and quality service, both before and after the sale to clients and their beneficiaries;

Learn and follow all Company policies and procedures related to my role as a producer;

Keep informed with respect to applicable laws and regulations and observe them in the practice of my profession;

Determine that any replacement of life or health insurance or a financial product I am proposing is in the best interest of my client;

Foster goodwill, courtesy, and consideration in the treatment of policyholders and the general public, while maintaining loyalty and respect for the Company;

Meet all continuing education requirements;

Endorse and support the Insurance Marketplace Standards Association's (IMSA's) Principles of Ethical Market Conduct:

- Conduct business according to high standards of honesty and fairness and to render that service to my customers which, in the same circumstances, I would demand for myself;
- Provide competent and customer-focused sales and service;
- Engage in active and fair competition;
- Use advertising and sales materials that are clear as to purpose and honest and fair as to content;
- Provide for fair and expeditious handling of customer complaints and disputes;
- Maintain a system of supervision that is reasonably designed to achieve compliance with these Principles of Ethical Market Conduct.

Representative

Jerry Hill M - 0753

Marketing General Agent

Please sign this acknowledgement and return it with your Application for Appointment.

AUTHORIZATION

Required by The Fair Credit Reporting Act

The Federal Fair Credit Reporting Act, as amended, provides that any consumer reporting agency may furnish a consumer report in accordance with the *written instructions of the consumer to whom it relates*.

In accordance with that provision, the person signing this form as "Applicant" hereby authorizes any person or agency to give, in writing, orally, or in any other form, to Standard Life and Accident Insurance Company or its designated representatives any information gathered or maintained by a consumer reporting agency bearing on the Applicant's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the Applicant's eligibility for credit, employment or any other purpose authorized under Section 604 of the Act.

Further, the Applicant understands that Standard Life and Accident Insurance Company may, as part of its normal procedure, request that an investigative consumer credit report be made whereby information on the Applicant's character, general reputation, personal characteristics or mode of living is obtained through personal interviews with business associates, employers, friends, neighbors and others with whom the applicant may be acquainted or who may have knowledge concerning any such items of information. The Applicant authorizes the individual or agency conducting the investigation to give, in writing, orally, or any other form, to Standard Life and Accident Insurance Company or its designated representatives any information gathered or obtained during this investigation pertaining to Applicant's production, persistency, commissions, earnings, estimated future earnings, commission advances, loans and debts, including, but not limited to, any indebtedness that may have been charged to the Applicant's manager or agency, or which may have been written off.

The Applicant authorizes Standard Life and Accident Insurance Company or its designated representatives to use the reports furnished in accordance with this authorization in any deliberations which it or they may undertake to determine whether or not Standard Life and Accident Insurance Company will make an offer of a contract to the Applicant.

(Applicant's Printed Name)

(Applicant's Signature)

(Date)

(Date)

Request for Taxpayer Identification Number and Certification

**Give form to the
requester. Do not
send to the IRS.**

Print or type
See Specific Instructions on page 2.

Name		
Business name, if different from above		
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)	
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 2.

Social security number								
or								
Employer identification number								

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

Sign Here	Signature of U.S. person ▶	Date ▶
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Purpose of Form

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

If you are a foreign person, use the appropriate Form W-8. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments **after** December 31, 2001 (29% **after** December 31, 2003). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- You do not certify your TIN when required (see the Part II instructions on page 2 for details), or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions on page 2 and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name. If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Exempt from backup withholding. If you are exempt, enter your name as described above, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the Instructions for the Requester of Form W-9.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Part I—Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box.

If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are an LLC that is **disregarded as an entity** separate from its owner (see **Limited liability company (LLC)** above), and are owned by an individual, enter your SSN (or "pre-LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc., enter the owner's EIN.

Note: See the chart on this page for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office. Get **Form W-7**,

Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II—Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** above.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN or:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship	The owner ³
For this type of account:	Give name and EIN or:
6. Sole proprietorship	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.



**American National Insurance Company
American National Life Insurance Company of Texas
Standard Life and Accident Insurance Company**

**One Moody Plaza
Galveston, Texas 77550**

NOTICE OF PRIVACY POLICY

American National Insurance Company and its affiliated companies are committed to providing insurance and annuity products and services designed to meet your needs. We are equally committed to respecting your privacy and protecting the information about you that we may receive. We have prepared this notice to advise you what information we collect, how we use it and how we protect it.

What Information We Collect

As an essential part of our business, we obtain certain personal information about you in order to provide a financial product or service to you. Some of the information we receive comes directly from you on applications or other forms, and may include information you provide during visits to our Web site. We may also receive information from physicians, testing laboratories and other health providers, and from consumer reporting agencies. The types of information we receive may include addresses, social security numbers, family information, current and past medical history and financial information, including information about transactions with other financial institutions.

What Information We Disclose

We do not disclose nonpublic personal information about our current or former customers to any non-affiliated entity, except as permitted by law. Examples of the disclosures which we are permitted by law to make include: disclosures necessary to service or administer an insurance or annuity product that you requested or authorized; disclosures made with your consent or at your direction; disclosures made to your legal representative; disclosures made in response to a subpoena or an inquiry from an insurance or other regulatory authority; disclosures made to comply with federal, state or local laws and to protect against fraud.

Our Privacy Protection Procedures

We protect information about you from unauthorized access. Our employees and agents receive training regarding our privacy policies, and access to information about you is restricted to those individuals that need such information in order to provide products and services to you. Examples of activities requiring access to personal information include: underwriting; claims processing; reinsurance and policyholder service. Finally, we employ secure technologies in order to safeguard transmission of information about you through our web sites, and we have established and maintain procedures to comply with all state and federal laws and regulations regarding the security of personal information. This notice is for your information and does not require any action on your part.



Standard Life and Accident Insurance Company

Responsible Business Practices Guidelines

Please review the enclosed Guidelines and Producer's Code of Conduct as part of your application for appointment with Standard Life. They explain our expectations about the way we will conduct our business with each other and with our policyholders. Sign and return a copy of the Producer's Code of Conduct with the other forms you complete in the application process.



INSURANCE
MARKETPLACE
STANDARDS
ASSOCIATION

MEMBERSHIP
PROMOTES
ETHICAL MARKET
CONDUCT FOR
INDIVIDUAL LIFE
INSURANCE AND
ANNUITIES

These Guidelines will make clear Standard Life's (SLAICO) position about the importance of good market conduct practices in the sale of its life insurance, annuities and health insurance products.

Standard Life has qualified for membership in the Insurance Marketplace Standards Association (IMSA). IMSA is a self regulatory body which serves to help insurers develop, implement and monitor the effectiveness of sales practices consistent with the Code and Principles of Ethical Market Conduct.

The Board of Directors of SLAICO, and of our parent company, American National Insurance Company (ANICO), have made the commitment that we will take the steps necessary to maintain membership in IMSA.

Consistent with that commitment, we are communicating to you the six Principles of Ethical Market Conduct we have adopted to guide the actions of both the Company and its appointed representatives.

Those principles are as follows:

- To conduct business according to high standards of honesty and fairness, and to render that service to our customers which, in the same circumstances, we would apply to or demand for ourselves;
- To provide competent and customer focused service;
- To engage in active and fair competition;
- To provide advertising and sales materials that are clear as to purpose and honest and fair as to content;
- To provide for fair and expeditious handling of customer complaints and disputes;
- To maintain a system of supervision and review that is reasonably designed to achieve compliance with these principles of ethical market conduct.

These Principles are simply good business – for you, the producer, for the Company and for our customers. Conforming sales practices to their guidance will be our joint goal.

Within Standard Life, all members of the Marketing Department are sensitive to how we will interpret these Principles. However, we have assigned **Ron Mason**, the Director of Product Development and Compliance, supervisory responsibility for creating and maintaining consistent policies and procedures that implement and monitor the effectiveness of these Principles.

Putting into place the training component of support for the Principles will be part of the job of **Marty Martin**, Senior Vice President and CMO.

Marty Martin, Senior Vice President and CMO, and **Debra Knowles**, Vice President of Marketing Administration will oversee the effectiveness of integrating the Principles into the Company's operation and development.

To make sure that we are successfully implementing the Principles, we also follow a process of regular surveys of our new policyholders. The Life Insurance Marketing Research Association (LIMRA) conducts these surveys, by mail, of all new life, annuity and Long Term Care policyholders.

We expect these surveys will give us valuable insight into how we can bring you new products and services that more effectively meet the policyholders' objectives. They should also help us determine where we need to do a better job of explaining our products and training our producers.

What happens when things go wrong?

From time to time, you may find yourself in a situation where you become aware of sales activities that you think are questionable, in light of the Principles. If this is the case, we have specific people you should notify.

In all events, you can talk to **Marty Martin**, the head of our Marketing activities. However, **Ron Mason** and **Debie Knowles** will also be available to you. You can reach either of them at the Marketing Department, at (888) 290-1085. Their E-mail addresses are marty.martin@slaico.com, debie.knowles@slaico.com and ron.mason@slaico.com.

Outside of the Marketing Department, you can contact **Judy Regini**, in Corporate Affairs at our parent company, ANICO, at (800)392-0644, or by E-mail, at judy.regini@anico.com.

All Market Conduct issues will be dealt with to ensure privacy and confidentiality for all parties involved. ***The Company will not tolerate any form of retaliation against anyone who uses this process.***

Here are some examples of the kinds of questionable sales activities we're referring to:

- Use of disparaging statements in a sales presentation; i.e., any statements, written or oral, that are untrue, deceptive, misleading or otherwise unlawful with regard to competitors;
- Unfair competition; i.e., engaging in inappropriate replacement of existing insurance, disparaging competitors, use of dishonest, false or fraudulent practices to displace a competitor;
- Use of unapproved sales materials, or approved sales materials modified without prior approval;
- Inducing or influencing SLAICO producers to leave its service.

This is obviously not an exhaustive list. It is an indication of the kinds of practices that are not consistent with the Principles, or with insurance laws and regulations, or with your SLAICO contracts.

Marty Martin, Ron Mason and Judy Regini are also assigned responsibility for dealing with complaints. ***It is important you refer any complaints from your policyholders to the Company promptly so we can resolve them.*** We have found that complaints do not go away until the customer is fully satisfied.

Many of the things which make policyholders dissatisfied with our services or products are based on misunderstandings or unsuccessful communication. If we can resolve the issue early, we can frequently avoid their escalating into a full-blown Insurance Department complaint.

At the same time, customers who find that the Company and their agent are genuinely interested in making their perceived problems go away can be a valuable asset to you, both in terms of increased persistency and as a source of referrals.

Replacement

Replacement activity is the focus of scrutiny by both Insurance regulators and the ratings agencies which grade our financial condition. These groups are expressing increased concern about perceived abusive practices like “twisting” (inappropriate external replacements) and “churning” (inappropriate internal replacements). As a result of these concerns, we are seeing a move towards detailed replacement forms such as those found in the new NAIC Model Replacement Regulations, already adopted in several states.

The kinds of practices which have aroused concern, and which are considered “replacements” are more broadly defined than just terminating an existing policy when a new one is sold. It also includes things like these:

- Encouraging a policyholder to borrow against current life or annuity policy values to pay for a new one;
- Encouraging a policyholder to place existing coverage under one of the nonforfeiture options (e.g., RPU or ETI) in conjunction with purchasing new insurance;
- Having the benefits under an existing policy reduced or restructured to free up cash flow for a new policy.

Replacement of existing insurance is frequently not in either the client’s or the insurer’s best interest. These will be some of the concerns:

- Exposure of the client to new contestable and suicide periods;
- New sales and expense loads;
- Increased age and possible changes in policyholder health;
- Loss of any “grandfathered” policy or tax benefits;
- Potential loss of revenue and surplus to the Company;
- Potential increased exposure to policyholder complaints.

Because each client’s position is unique, you have to weigh these known costs against potential benefits for the client to determine whether a possible replacement is to their advantage. The best benchmark for judging that is the first of the ***Principles of Ethical Market Conduct***:

To conduct business according to high standards of honesty and fairness, and to render that service to our customers which, in the same circumstances, we would apply to, or demand for ourselves.

In the Senior Market, which we have chosen as our primary focus, replacement of existing insurance, especially life insurance, annuities and Long Term Care policies, should be recommended to a client only when you can clearly, and objectively demonstrate the client is better off as a result. This is also consistent with the official **Statement of Policy Regarding Replacements**, adopted by all members of the American National family of companies:

Agents should not advise, suggest, or recommend that an existing life insurance or annuity contract be replaced unless it is in the interests of the customer.