

Annualization Addendum

Agent Name (please print): _____

Agent Code: _____

Please indicate:

- ☐ **Daily Annualization.** Daily Annualization is paid on Annualized Policies that become paid in the New Business Department daily. Annualized Commission funds are transferred electronically every day.
- ☐ **Weekly Annualization.** Weekly Annualization is paid on Annualized Policies that become paid in the New Business Department during the period running Wednesday of the previous week through Wednesday of the current week. Annualized Commission funds are transferred electronically each Thursday.

In signing this Annualization Addendum, I acknowledge I have read the applicable terms and conditions. I understand any amounts paid as Annualization Commissions are loans and not advances. In the event I am no longer under contract, any Unearned Annualization Commission amounts paid to me are to be repaid to the Company on demand. The Company reserves the right to accept or reject this Addendum and I understand and acknowledge the Company may terminate this Addendum at any time and for any reason. This Addendum shall terminate automatically upon termination of my Contract with the Company.

Please set maximum amount of Annualization per Annualized Policy at \$ _____ (“Annualization Cap”).

Signature of Agent (Required)	Date
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Signature of GA or RSD (Required)	Date
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Please retain a copy of this Addendum for your records and send the original to the Company.

FOR OFFICE USE ONLY

Processed and Accepted by the Company

By: _____

Date: _____
("Effective Date")

Terms and Conditions

1. Definitions.

- All capitalized terms not otherwise defined in this Addendum shall have the meaning set forth in your contract with the Company (the "Contract").
- An "Annualized Commission" is an advance of a percentage of first year commissions on New Business to the Agent. Annualized Commissions are computed by multiplying the Annualization Percentage by the first year commission rate for New Business, as specified in the applicable commission schedule. Commissions will only be annualized in Year 1 of the Company Product.
- The "Annualization Percentage" is the percentage of first year commissions that the Company will pay the Agent. The Annualization Percentage is identified above and may be modified from time to time by the Company upon written notice to the Agent as set forth in the Contract.
- "Annualized Policy" means New Business for which an Annualized Commission has been paid to the Agent.
- "New Business" means a life insurance policy issued by the Company for which the Company has received full payment of the first modal premium and all outstanding policy requirements. New Business does not include annuities or unscheduled or excess premiums on universal life products.
- "Unearned Annualized Commissions" means Annualized Commissions for which the first year commission on New Business has not been earned.

2. Annualized Commission Payment.

- The Company will pay an Annualized Commission to the Agent on New Business eligible for annualization. The Company reserves the right, in its sole discretion, to determine whether New Business is eligible for annualization under this Addendum.
- The Company will credit first year commissions, as those commissions are earned, against the sum of Annualized Commissions paid on Annualized Policies pursuant to the Automatic Commission Withholding Process set forth in Section 3 below. Any remaining balance of first year commissions, after crediting those commissions against paid Annualized Commissions, will be paid to the Agent as earned.
- The maximum annualization amounts allowed as a percentage of Annualized Commissions shall be seventy-five percent (75%), except the maximum annual-

ization for annual policies, which shall be one hundred percent (100%), and the maximum annualization for quarterly life policies, which shall be fifty-five percent (55%) for life and 0 for universal life.

- The Company reserves the right to determine the maximum amount of Annualized Commissions to be paid in any calendar month to the Agent.
- The Annualization Cap is the maximum amount of Annualized Commissions to be paid on New Business. Such amount shall not exceed \$3,000.

3. Automatic Commission Withholding Process.

- Agent shall be provided an annualization statement via the Company's website, which statement shall accumulate new available Annualization Commissions and generate electronic funds transfers for amounts payable of \$50 or more.
- Annualized Commissions will be deposited to Agent's bank account on the second working day after an annualization cut-off is completed.
- The "Reserve Balance" section of the statement will reflect a zero balance if an electronic funds transfer is processed. Any remaining balance will be carried forward to the following statement and added to (or subtracted from) available annualization.
- In consideration for receipt of Annualized Commissions under the Annualization Addendum, the Agent authorizes the Company to withhold first year commissions earned on an Annualized Policy until the sum of those first year commissions equals the amount of Annualized Commissions paid for that Annualized Policy.
- If first year commissions earned on an Annualized Policy are insufficient to offset Unearned Annualized Commissions for that Annualized Policy, the Company reserves the right to offset any Unearned Annualized Commissions from all compensation otherwise payable to the Agent.
- In the event an outstanding balance of Unearned Annualized Commissions exists despite (d) and (e) above, the Company reserves the right to seek repayment of that outstanding balance from the Agent pursuant to the Contract.
- Any indebtedness incurred under the Program for which recovery cannot be made pursuant to (a), (b) or (c) of this Section 3 shall be governed by the terms for indebtedness included in the Contract.

4. The terms and conditions of the Contract are applicable to this Addendum.



6455Y

AGENT CONTRACT APPLICATION

Agent Number _____

(Home Office Use Only)

FIRST NAME MI		LAST NAME		GENDER <input type="checkbox"/> M <input type="checkbox"/> F	DATE OF BIRTH	SOCIAL SECURITY NUMBER	NATIONAL PRODUCER NUMBER
TYPE OF APPOINTMENT (SELECT ALL THAT APPLY) <input type="checkbox"/> LIFE <input type="checkbox"/> ANNUITY <input type="checkbox"/> VARIABLE UL		CONTRACT TYPE <input type="checkbox"/> LLC* <input type="checkbox"/> CORPORATION* <input type="checkbox"/> PARTNERSHIP* <input type="checkbox"/> SOLE PROPRIETORSHIP* <input type="checkbox"/> INDIVIDUAL		TAXPAYER ID NUMBER (IF CORPORATION)		CRD NUMBER (IF REGISTERED REP)	
RESIDENCE ADDRESS — STREET, CITY, STATE, ZIP						RESIDENCE TELEPHONE ()	
BUSINESS NAME (DBA)						BUSINESS TELEPHONE ()	
BUSINESS ADDRESS — STREET, CITY, STATE, ZIP						BUSINESS FAX ()	
PREFERRED MAILING <input type="checkbox"/> RESIDENCE ADDRESS <input type="checkbox"/> BUSINESS ADDRESS						CELL PHONE ()	
EMAIL ADDRESS (REQUIRED)						PREFERRED CONTACT <input type="checkbox"/> RES. PHONE <input type="checkbox"/> BUS PHONE <input type="checkbox"/> CELL PHONE <input type="checkbox"/> EMAIL	
BROKER/DEALER NAME (IF REGISTERED REP)						PROFESSIONAL DESIGNATION <input type="checkbox"/> CLU <input type="checkbox"/> ChFC <input type="checkbox"/> LUTCF <input type="checkbox"/> CFP SECURITIES LICENSES <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 24 <input type="checkbox"/> 26 <input type="checkbox"/> 63	
BROKER/DEALER ADDRESS (IF REGISTERED REP)						BROKER/DEALER CRD# (IF KNOWN)	

PLEASE RESPOND TO ALL QUESTIONS FOR YOU PERSONALLY AND ANY ORGANIZATION OVER WHICH YOU HAVE EXERCISED CONTROL. IF YOU ANSWER "YES" TO ANY QUESTIONS, YOU MUST ATTACH AN EXPLANATION WITH ALL RELEVANT INFORMATION AND SUPPORTING DOCUMENTS.

- ☐ Yes ☐ No 1. Have you ever been convicted, pled guilty or nolo contendere, or do you have pending charges to a felony or misdemeanor? If yes, attach copy of court records.
- ☐ Yes ☐ No 2. Have you ever had any regulatory action taken against you, or had your insurance or securities license denied, suspended, terminated or revoked by an insurance department, FINRA or any other regulatory agency?
- ☐ Yes ☐ No 3. Have you ever had a complaint filed or do you anticipate a complaint being filed against you by a consumer, an insurance department, FINRA or any other regulatory agency?
- ☐ Yes ☐ No 4. Has your contract or appointment ever been terminated involuntarily by an insurer or FINRA member firm?
- ☐ Yes ☐ No 5. Has any claim ever been made against you, your surety company or errors and omissions insurer arising out of insurance and/or securities sales?
- ☐ Yes ☐ No 6. Are you currently involved or ever been involved in litigation?
- ☐ Yes ☐ No 7. Do you have past due financial obligations, unsatisfied judgments or liens, including any delinquent state or federal tax obligations?
- ☐ Yes ☐ No 8. Have you ever filed bankruptcy?
- ☐ Yes ☐ No 9. Does any person or entity claim any indebtedness from you as a result of any insurance transaction or business?

COMPLIANCE

☐ Yes ☐ No I will conform to the procedures outlined in the "Compliance Manual" and all company product guides.

Please list all relatives who are currently licensed to sell life insurance, including annuities.

Name _____	Relationship _____	SSN _____
Name _____	Relationship _____	SSN _____

CONDITIONS AND AGREEMENTS – By signing this application, I hereby acknowledge I have read a specimen copy of the proposed contract and all applicable supplements and addendums thereto to be entered into between myself and Midland National Life Insurance Company (Midland National). I agree to be bound by all of the terms and conditions of such contract, supplements and addendums, which includes applicable commission schedule(s), and further agree that upon authorization to solicit business by Midland National, such contract, supplements and addendums shall be legally binding on me without further action required on my part. Thereafter, such contract, supplements and addendums shall govern my relationship with Midland National, a personalized copy of which shall be made available to me by Midland National by electronic delivery. I agree not to solicit business until I have been notified by Midland National that I am authorized to do so. I represent and warrant that all information and answers to questions are true and complete.

I understand the Fair Credit Reporting act requires Midland National to notify me that, as a routine part of processing my contract application, a consumer report may be obtained which may include information bearing on my credit worthiness, credit standing, credit capacity, character, general reputation, and personal characteristics or mode of living. I further authorize Midland National or its affiliates' to obtain a consumer report and Vector

One report in connection with this contract application. I further authorize Midland National or any of its affiliates or their duly authorized representatives to contact any organization or individual who has knowledge of my employment history, credit history, financial status, or record of any illegal activity to (a) obtain a record of such history, status or activities and (b) hereby authorize the release of such information by such organization or individual in connection with this application and (c) authorize Midland National or any of its affiliates to release information about any debit balance I may incur to Vector One, its successors, or any organization designated to replace Vector One. This authorization shall remain valid and in effect during the term of my contract. We reserve the right to obtain subsequent consumer reports and/or investigative consumer reports on an as needed basis.

Any Marketing materials which have not been provided by Midland National must be approved by Midland National prior to their use. I understand that any specimen sales brochures and material I have received are provided only for my personal examination of product provisions and rates.

A photocopy of this authorization shall be as valid as the original, regardless of the date it is signed.

*Affiliate means any company owned, directly or indirectly, by Sammons Financial Group, Inc.

AGENT AUTHORIZATION – Under penalties of perjury, I certify that: 1) The Social Security Number or Taxpayer Identification Number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and 2) 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 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.

AGENT SIGNATURE	OFFICER SIGNATURE*	DATE
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I have reviewed the above application and I hereby recommend this agent contract for consideration by Midland National.

SIGNATURE OF RECRUITING AGENCY	CODE	DATE
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* If Officer of a Corporation, LLC, Partnership, or Sole Proprietorship please sign both as Agent and Officer.

Completed form should be forwarded to the appropriate Life or Annuity Division at the address below.



AGENT CONTRACT TRANSMITTAL FORM

PLEASE PRINT ALL INFORMATION CLEARLY

Complete this form for new agents (supervised by another agent), or to make changes to an existing agent's commission level and/or supervising agent (also known as the upline hierarchy).

☐ New Agent

☐ Existing Agent Code _____

Agent and/or Agency Name (please print)

Contract Level for Agent

Any pending business will be paid according to the agent contract (if any) in effect prior to receipt of this Transmittal Form by Midland National Life Insurance Company.

Commissions are payable based on the date on which the application was signed – not the date that commissions are actually paid by Midland National.

Certain states require a supervising agent/agency to be licensed to receive override commissions. If a license is not held in these states when business is written, override commissions will not be paid.

Agent Signature

_____/_____/_____
Signature Date

Supervising Agent Name - Agent Code (please print)

_____/_____/_____
Signature Date

**AFTER COMPLETING THIS FORM,
PLEASE FAX BACK TO 877-841-6711 to LIFE DIVISION
or 877-586-0248 to ANNUITY DIVISION**



COMMISSION DIRECT DEPOSIT AUTHORIZATION FORM

It is the policy of Midland National to deposit your commissions directly to an account of your choosing at a designated financial institution.

1. Mark the appropriate box specifying that your pay will be deposited to either your checking account or savings account.
2. Complete the requested information about you, your financial institution and your account.
3. Submit a voided check for verification of all financial institution information.

DIRECT DEPOSIT AUTHORIZATION - Please fill out and return to the Agency Services Dept.

I authorize you and the financial institution listed below to automatically deposit my net amounts earned and payable to my:

☐ Checking Account

☐ Savings Account - Note: If choosing the Savings Account option, please supply the information on bank letterhead.

Should an incorrect deposit be made, the financial institution is authorized to process debit entries to my account and return to Midland National the amount of any such overage.

In the event you incur a commissions debt to Midland National we will not debit your account without prior permission from you.

This agreement will remain in effect until I have cancelled/changed it in writing.

FINANCIAL INSTITUTION'S NAME

AGENT/AGENCY NAME AND NUMBER

BRANCH

ACCOUNT NUMBER

CITY

STATE

ROUTING NUMBER

AGENT/PRINCIPAL SIGNATURE

DATE

Mail or fax completed form along with a voided check to the appropriate Life or Annuity Division at the address below.

VOIDED CHECK REQUIRED

Midland National Life Insurance Company

Life Division: One Sammons Plaza, Sioux Falls, SD 57193

Phone: 800-843-3316 • Fax: 877-841-6711 • Email: MNLAgencyServices@sfgmembers.com

Annuity Division: P.O. Box 79907 • Des Moines, Iowa 50325-0907

Phone: 877-586-0242 • Fax: 877-586-0248 • Email: annuitylicensing@sfgmembers.com