

Bankers Elite Annuity



Designed to **MAXIMIZE INTEREST RATE**
while providing **CONTROL** of funds
and **NO RECURRING** surrender charges

RATES EFFECTIVE JUNE 4, 2012

2.10% for 3 years
2.00% commission to age 90*

3.00% for 5 years
2.25% commission to age 90*

3.20% for 7 years
2.50% commission to age 85*

3.30% for 9 Years
2.75% commission to age 80*

*Maximum issue age reduced by 10 years in FL

MAXIMUM RATE

The **ELITE** annuity is most suited for those policyholders seeking a higher guaranteed rate for a certain number of years and who do not expect to need any of the annuity account until the end of the term. The **ELITE** annuity is available in 3, 5, 7 and 9 year terms. Guaranteed interest is credited and compounded every day.

CONTROL

No "windows" or recurring surrender charges! At the end of the selected term: **ELITE** annuity accounts are 100% liquid; There are NO automatic renewals of surrender charges for years into the future; Without charges of any kind, at any time thereafter the policyholder may choose to:

- Keep funds totally liquid in their existing policy and continue earning guaranteed interest at a current rate, or
- Exchange their existing policy for any other deferred annuity plan we offer at the time and begin a new policy with current interest rate guarantees (agent earns 100% compensation and normal incentive trip credit), or
- Withdraw their funds.

OTHER FULL-FEATURED ANNUITIES

Most annuity owners do not take distributions from their policies during the early accumulation years of a policy. For those who do need income from their accounts, their circumstances are usually predictable and planned.

We offer a full range of competitive annuity plans, each with competitive rates, to meet the needs of those desiring income or distributions.

Liberty Bankers Life Insurance Company
Capitol Life Insurance Company
FSD Financial - 800-373-9697



BankersElite-0112 0612

For agent use only. Not for use with the public.
Bankers Elite not available in all states.

Please refer to state specific policy forms and sales literature for details.



This application must be completed for each Agent's appointment with LBL. Please PRINT your answers legibly. All questions must be answered. Any incomplete answers will delay the appointment process. Photocopies of appropriate licenses must be sent to LBL with this application. Please fax to 818-881-6973.

1. Name _____
First Middle Last

1a. Business Name (if different) _____
(If commissions are to be paid to your business, include a copy of the license issued to your business.)

2. Address: Home _____
Street City County State Zip
 Business _____
Street City County State Zip
 Mailing _____
Street City County State Zip
 E-mail _____

3. Telephone Numbers: Home () _____ Business () _____ Fax () _____

4. Date of Birth _____ Social Security / Tax Identification Number _____

5. Have you ever been licensed with Liberty Bankers Life Insurance Company? Yes No Agent No. _____

6. For which states do you wish non-resident appointments? _____
(Attach a copy of current licenses. You will be responsible for payment of any required fees for non-resident appointments.)

If you answer "yes" to any of the following questions (except number 14 and 15), please provide COMPLETE details on a separate sheet and obtain Home Office approval of your appointment prior to selling LBL products.

7. Have you ever been refused an original or renewal license or had a license suspended or revoked for any type of insurance license by any state? Yes No

8. Have any formal charges been filed with the insurance department of any state arising out of your activities in the insurance business, or have you ever been cited to appear before the insurance department of this or any other state for an infraction of the insurance laws or for unfair practices? Yes No

9. Has any insurance company ever canceled any contract of employment or your agent's appointment for any reason other than non-production? Yes No

10. Does any insurer or agent claim that you are indebted to them under any agency contract or otherwise? If "yes," give amount of debt and how the debt will be repaid. Yes No

11. Are you currently involved in any litigation or are there any unsatisfied judgements or liens (including state or federal tax liens) against you? Yes No

12. Do you currently have a pending bankruptcy or have you ever declared bankruptcy? Yes No

13. Have you ever been convicted of any crime, other than minor traffic offenses? Yes No

14. Do you have a securities license issued by the NASD? Yes No
 If "yes," enter your C.R.D. Number _____

15. Do you have Errors & Omissions Coverage? Yes No
 If "yes," name of carrier and amount _____

Referred to LBL by: _____ xxxxxXxxxx FSD FINANCIAL - Affronti

AGENT'S DECLARATION AND AUTHORIZATION

I certify, under penalty of perjury, that all answers and responses to questions and inquiries contained in this application are true, correct and complete. I further certify that I have read and am familiar with the sections of the insurance code for the state in which I am seeking appointment and that I am withholding no information which would affect my qualification for this appointment with Liberty Bankers Life Insurance Company ("LBL"). I further agree to conduct myself/agency in accordance with the terms of the contract(s) issued to me. I agree that LBL has no obligation to approve this request, and I release LBL from all liability if they decline this request and refuse to appoint me. I understand that if this Application for Agent's Appointment is approved, my relationship with LBL will be that of an independent contractor and that no employee/employer relationship will be created by the General Agent Contract. I agree that by accepting commission from LBL I acknowledge my acceptance of all terms and conditions of the General Agent Contract. I authorize all LBL affiliated companies to share any pertinent information they may have obtained regarding my financial, business, legal, tax or work performance or any information obtained under the Fair Credit Reporting Act, including copies of licenses and applications for purposes of appointment under this agreement.

As evidence of my desire to obtain a General Agent's Contract with LBL, I empower LBL and its affiliates to retrieve information from all personnel records, educational institutions, government agencies, companies, corporations, credit reporting agencies and law enforcement agencies at the federal, state or county level, relating to my past activities, to supply any and all information concerning my background, and release from any liability resulting from providing such information. The information received may include, but is not limited to, residential, achievement, job performance, litigation, personal history, credit reports, driving history, disciplinary and conviction records.

By my signature below, I hereby release any individual or institution, including its officers, employees, or related personnel, both individually and collectively, from any and all liability for damages of whatever kind, which may, at the time, result to me, because of compliance with this authorization and request to release information or any attempt to comply with it. A copy of this authorization is as valid as the original. This authorization is valid until you receive written revocation from me.

Under penalties of perjury, I certify that:

- a) 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
- b) 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.

 X
Applicant/Agent Signature

_____ Date

TO BE COMPLETED BY HOME OFFICE

Application accepted by Liberty Bankers Life Insurance Company



Elton Bomer, President

Commission Schedule Form Number _____

Agent Number _____ Effective Date of Agreement _____

Countersigned _____
(The Agent Agreement will be of no force or effect unless this application is countersigned by an authorized employee of the Company)

GENERAL AGENT CONTRACT

This contract is made on the _____ day of _____, 20__ by and between LIBERTY BANKERS LIFE INSURANCE COMPANY, ("LBL"), with its home office located at 1800 Valley View Lane, Dallas, Texas 75234 and _____, its non-exclusive GENERAL AGENT, ("you").

1. APPOINTMENT

Appointment. LBL hereby appoints you on a non-exclusive basis to solicit applications for insurance policies and annuity contracts (individually a "Policy," collectively the "Policies") issued by LBL. This appointment shall also include the sub-agents and brokers, if any, which are or may be appointed and assigned to you by LBL as approved hereunder.

Territory. It is understood and agreed that this Contract does not grant any exclusive territory to you or your agency and does not impose upon you any territorial limit of operation.

Relationship. This Contract is not a contract of employment and does not create the relationship of employer and employee between LBL and you. You are not expected or obliged to devote full time and effort to the business of LBL or to represent LBL exclusively. It is understood and agreed that this Contract calls for results and does not purport to control the time or manner of your performance. Rather, you are an independent contractor and shall exercise your own judgment and discretion in the conduct of the business contemplated under this Contract, subject to the provisions herein. You specifically recognize and accept responsibility for payment of any applicable taxes levied by federal, state or local authorities as a result of compensation arising hereunder.

2. YOUR AUTHORITY

Your powers and authority are limited to only those expressly provided under this Contract. Any and all such powers and authority shall continue only during the duration of this Contract and shall terminate on the date of termination hereof.

Solicitation. You will actively solicit and present applications for the Policies to LBL for acceptance, both personally and through properly licensed sub-agents and brokers appointed and assigned by LBL to you from time to time. Coverage applied for must meet suitability requirements in accordance with applicable laws and regulations.

Recruiting. You may recruit and recommend the appointment by LBL of sub-agents and brokers. You shall have no authority to make any such appointment on behalf of LBL, and no purported appointment shall be valid unless and until sub-agent or broker has been appointed by LBL and has executed a contract on a form provided and signed by LBL. LBL shall not be obligated to appoint any sub-agent or broker or to assign any sub-agent or broker to you, and LBL expressly reserves the exclusive right and sole discretion to terminate the appointment of any sub-agent or broker at any time. The assignment of any sub-agent or broker to you shall be terminated immediately upon the earlier of the termination of this Contract or termination of the contract between LBL and such sub-agent or broker.

Limitation of Authority. You shall have no power or authority to, and hereby agree and warrant that you will not, do anything not expressly authorized herein including, but not limited to, any of the following:

- a) Waive, alter, amend, modify or discharge any policy or contract of LBL,
- b) Waive forfeiture under any policy,
- c) Quote rates other than as provided in writing by LBL,
- d) Extend the time for payment of any premium due LBL,
- e) Receive any funds for the benefit of LBL, except for initial premiums,
- f) Incur any liability, obligation or indebtedness on account of LBL,
- g) Endorse or negotiate any checks or other instruments payable to the order of LBL, or
- h) Voluntarily accept service of process on behalf of LBL.

3. DUTIES AND RESPONSIBILITIES

You and all sub-agents and brokers assigned to you shall fairly, truthfully and properly represent LBL and its products and services and shall faithfully perform all the duties within the scope of the appointment under this Contract. In particular, but without limitation, you agree to perform the duties set forth below:

- a) **Premiums.** You shall collect and receive, or cause to be collected and received, the initial gross premium on Policies secured by you or by sub-agents and brokers assigned to you by LBL, and shall immediately remit all such premiums to LBL. You agree to hold in trust and separate from any other funds all premiums and other funds collected and received by you for the benefit of LBL. All such premiums and other funds shall at all times remain the property of LBL and shall be immediately forwarded to LBL without offset or deduction.

- b) **Compliance.** You will comply with all rules and regulations provided to you by LBL in performing your obligations hereunder.
- c) **Legal Compliance.** You will keep in good standing all licenses that you need to solicit applications for Policies to be issued by LBL. You will comply fully with all regulations, rulings, circular letters, proclamations and statutes, federal, state or local, which are applicable to your appointment and status hereunder.
- d) **Acts of others.** You shall be responsible and liable for the acts and omissions of the sub-agents and brokers assigned to you by LBL and any damages and obligations arising therefrom, which acts and omissions shall, for purposes of this Contract, be deemed to be those of you and not of LBL.
- e) **Bond.** You shall, upon demand by LBL, promptly furnish and maintain, at your expense, a security bond satisfactory to LBL for the payment of any and all amounts which are or become due or payable to LBL under this Contract or under any prior or subsequent agreement between you and LBL.
- f) **Processing of Applications.** You shall immediately forward to LBL all applications for the Policies that you may receive. We will pay all customary underwriting costs, including all reasonable costs, expenses and fees for obtaining such medical and other information we consider necessary to determine the insurability of applicants for Policies. If a Policy is issued as applied for and you personally are unable to deliver said Policy to the applicant for any cause whatsoever, or the applicant fails or refuses to accept the Policy as issued, or if you cause us in any way to incur unnecessary underwriting costs, then we reserve the right to offset from your compensation any and all such underwriting expenses.
- g) **Delivery of Policies.** You agree not to deliver a Policy unless you can reasonably determine that the proposed insured is in as good health as at the time of application, and unless the first premium has been fully paid. You agree to return any Policy which cannot be delivered within thirty (30) days for any reason to the LBL's home office at the end of the thirty (30) day delivery period.
- h) **Servicing Business.** You will provide for all usual and customary services to insureds and policyholders including prompt delivery of Policies, appropriate responses to inquiries and to complaints from insureds or policyholders or members of the public and to comply with any service standards set forth in any exhibit. You will maintain sufficient supplies and equipment and a staff of competent and trained personnel to produce, develop, underwrite and supervise the Policies covered by this Contract.
- i) **Privacy.** You agree that any nonpublic personal information on any customer or consumer of LBL is provided for the sole purpose of performing routine and essential transactions at the request of LBL. You further agree that said information is considered confidential and will not to be disclosed to any other person or entity without the express written consent of LBL.

4. INDEBTEDNESS

The following obligations shall be due and payable to LBL on demand:

- a) **Failure to Remit Premiums.** You shall reimburse LBL and hold it harmless from any loss that may result from your failure to remit premiums collected.
- b) **Repayment of Commissions.** If LBL refunds any premiums received on policies solicited by you, then you shall immediately reimburse LBL for any commissions received.
- c) Any commissions that are charged back as provided in the Commission Schedules, as amended, that are part of this Contract.
- d) If you are a partnership or corporation, those amounts due to LBL shall be a debt to all of the partners or to all of the officers, directors and shareholders of the corporation.

We may offset any indebtedness owed by you, or any sub-agent or broker assigned to you, against any sums due or becoming due to you under the terms of this Contract.

5. COMPENSATION DURING TERM OF CONTRACT

Commission Schedules. Attached hereto as part of this Contract are Commission Schedules that specify the percentages of premium that will be paid to you as commissions in connection with the sale of the Policies by you. Commissions shall be paid only with respect to premiums actually received by LBL. Commissions payable hereunder will be reduced by any commissions paid to any sub-agent or broker appointed to you by LBL on business written by such sub-agent or broker.

Changes in Commission Schedules. LBL shall have the exclusive right and sole discretion at any time to unilaterally terminate any Commission Schedule or to modify all or any portion of any such Schedule, or the rate, amount or method for determining the commission or compensation, provided such action is uniformly taken with respect to all persons to whom such Commission Schedules apply. Such modifications or terminations shall become effective no less than thirty (30) days from the date LBL gives you written notice and, unless otherwise agreed to by you and LBL in writing, shall have no effect on compensation resulting from policies with an effective date prior to the effective date of such modification or termination.

Accumulation of Commissions. If commissions payable to you in any period amount to less than fifty dollars (\$50), LBL may defer payment until the accumulated commissions due to you amount to at least fifty dollars (\$50).

Commissions Relating to Special Situations. The commissions paid to you by LBL with reference to conversion, extra premiums and

Policies substituted for others upon the same life and modified forms of Policies shall be determined by such practices and regulations as LBL shall establish from time to time, and shall not be affected by the Commission Schedules. No commissions shall be allowed to you with reference to preliminary term insurance, temporary extra premiums of five years or less, or premiums waived or commuted by reason of death, disability or exercise of Policy options.

Licensing. You will pay the fee for your initial resident license and appointment fee. You will bear the cost of any nonresident license and appointment fee for you and any sub-agents and brokers assigned to you by LBL. You will bear the cost of all renewal resident license fees and the costs associated with license maintenance for you and any sub-agents and brokers assigned to you by LBL. LBL will pay the resident renewal appointment fee for you or any sub-agent or broker if you or the applicable sub-agent or broker has met LBL's requirement for paid business in the preceding twelve (12) months.

Company Forms. LBL will provide you, at LBL's cost, with application forms, brochures and the various forms necessary to write and service Policies. You will be responsible for all other business expenses.

Advertising and Sales Promotion. LBL will furnish, at LBL's cost, all blanks, advertising materials, circulars and other printed sales material. LBL will consider your suggestions or requests for specialized solicitation material, but none may be used without LBL's prior written approval.

Premium Refunds. If LBL shall refund any premium received by us in accordance with Article 4 (b) hereof, you shall immediately repay LBL any commissions received by you with respect to such premium.

6. VESTING OF COMMISSIONS

All first year and renewal commissions are vested unless this Contract is terminated "for cause."

7. TERMINATION OF THIS CONTRACT

This Contract may be terminated without cause and for any reason by either party upon fifteen (15) days written notice delivered or mailed to the other party at its last known address.

This Contract shall automatically terminate as of your date of death or incompetency. In the event of such death or incompetency, any compensation due you shall be paid when due to your lawful spouse, if living and co-habiting with you, otherwise to your estate.

LBL may terminate this Contract "for cause" by sending to your last known address a written notice of such termination, which shall be effective immediately upon mailing of such notice, if you do any of the following acts:

- a) Fail to strictly observe any company rule, regulation, requirement or instruction, whether written or unwritten,
- b) Violate any state insurance law, regulation or policy,
- c) Withhold any money, policy receipt or property of LBL,
- d) Rebate or offer to rebate all or part of a premium on a policy of insurance issued by LBL in violation of the anti-rebate laws of the state in which the Policy is issued,
- e) In the sole judgment of LBL, establish a pattern of inducing or attempting to induce policyholders of LBL to discontinue payment of premiums or relinquish all or part of any Policy,
- f) Induce or attempt to induce any agent, sub-agent or broker to leave LBL's service,
- g) Violate any criminal law or statute,
- h) Make any material misrepresentation or perform any fraud or dishonesty affecting LBL or its policyholders, or
- i) Breach or violate any provision of this Contract.

LBL shall have, for each and every such act or omission, the right to terminate this Contract "for cause," and you shall, as of the date of termination, unconditionally forfeit all rights, claims and demands whatsoever you have against LBL. This forfeiture includes both first year and renewal commissions or other compensation or payment, whether accrued and not payable at the date of termination or to accrue after the date of termination, under this or any previous Contract, agreement or supplementary or amendatory contract or agreement between you and LBL, but nothing herein shall be construed to affect the rights or claims of LBL against you under this Contract or otherwise.

Effect Of Termination. Upon any termination of this Contract, any and all of your obligations to LBL shall mature, accelerate and become immediately due and payable in full notwithstanding any agreement to the contrary, and you shall immediately and without further notice return all then undelivered policies and all other property furnished or provided to you by LBL

If, subsequent to termination of this Contract, you shall misappropriate or impair any funds or property of LBL or any funds received on account of LBL, or fail to remit any funds due or property of LBL within ten (10) days after receipt of demand therefore, LBL shall be fully

and completely discharged with respect to any and all its obligations under this Contract, including, but not limited to, the payment of any commissions.

Minimum Payment. Following termination of this Contract, no Renewal Commissions or Service Fees will be paid to you following any calendar year in which the total amount of such Commissions and Service Fees due to you shall amount to less than three hundred dollars (\$300).

8. ENTIRE CONTRACT

This Contract and the Commission Schedules, as amended, and Application for Agent's Appointment and Contract attached hereto contain the entire understanding between the parties and supercedes all prior contracts and agreements there between, whether written or oral, on all matters. No modification of any provision of this Contract, except modifications of the Commission Schedules, shall be effective unless evidenced in a writing signed by you and LBL.

9. NOTICE

Any written notice required under this Contract shall be deemed received on the date mailed, if sent properly addressed to the last known address of the other party by prepaid certified mail, return receipt requested and, if otherwise given, on the date actually received.

10. APPLICABLE LAW AND VENUE

This Contract shall be governed by the laws of the state of Texas, and any interpretation of the language, intent, performance or obligation of this Contract shall be done in accordance with the laws of the state of Texas. This Contract is performable in Dallas County, Texas, and any suit, action or proceeding by either party to this Contract must be initiated and brought in Dallas County, Texas. All sums or amounts due or to become due to either party are payable in Dallas, Dallas County, Texas.

11. ASSIGNMENT

You may not assign this Contract, or any compensation accruing to you hereunder, or any interest herein except with the written consent of LBL.

12. WAIVER

Failure of LBL to insist upon strict compliance with any of the provisions of this Contract or any of the rules or regulations of LBL shall not be construed as a waiver thereof, but such provisions, rules and regulations shall continue to be in full force and effect.

13. SEVERABILITY

Any provision of this Contract which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision contained herein, and such other provisions shall remain in full force and effect.

LIBERTY BANKERS LIFE INSURANCE COMPANY
DALLAS, TEXAS

Agent Name (print or type)

By: _____
Authorized Representative

X

Applicant/Agent Signature

Title

Date

Date



Liberty Bankers Life

Insurance Company

Commission Schedule - Level 8 (MGA)

This Commission Schedule is subject to the provisions of the General Agent Contract to which it is attached. All commissions will be adjusted accordingly when other agents are contracted under this agent.

Plan	Annuitant Age at Issue	Policy Year	Commission Rate	Trails Available	Footnotes
Bankers Accumulator(1) Form BankersAccumulator-0307	0-80 81-100	All Years All Years	0.500% 0.400%	No No	1 1
Bankers 1 Form Bankers1-0106	0-80 81-95	1 1	0.500% 0.400%	No No	
Bankers 3 Form Bankers3-0704	0-80 81-90	1 1	2.000% 1.000%	No No	
Bankers 5 Form Bankers5-0704	0-80 81-90	1 1	3.250% 1.500%	No No	
Bankers 5 Premier Form BankersPremier-04074	0-80 81-90	1 1	2.000% 0.400%	No No	
Bankers 5 Premier Plus Form BankersPlus-0307	0-80 81-90	1 1	2.000% 0.400%	No No	
Bankers 7 Form Bankers7-0307	0-80 81-85	1 1	4.000% 2.000%	No No	
Bankers 7 Premier Form BankersPrem7-0910	0-80 81-85	1 1	2.150% 0.450%	No No	
Elite Annuity - 3 Year Form BankersElite-0112	0-90	1	2.000%	No	
Elite Annuity - 5 Year Form BankersElite-0112	0-90	1	2.250%	No	
Elite Annuity - 7 Year Form BankersElite-0112	0-85	1	2.500%	No	
Elite Annuity - 9 Year Form BankersElite-0112	0-80	1	2.750%	No	
Liberty USA 100(2) Form USA 100-0908	0-70 71-79	1 1	5.500% 3.500%	No No	2 2
Liberty USA 500(2) Form USA 500-0908	0-70 71-79	1 1	3.500% 1.500%	No No	2 2
Liberty Choice Form 1020-0804	0-80 81-90	1 2-3 4-5 6+ 1 2-3 4-5 6+	4.000% 2.600% 0.600% 0.400% 2.000% 1.000% 0.300% 0.200%	Yes Yes	
Liberty Select Form 1030-0804	0-80 81-85	1 2-5 6+ 1 2-5 6+	5.500% 3.000% 2.600% 2.500% 1.500% 0.600%	Yes Yes	
SPIA - Life Annuity Form 1080-0906	0-80	1 0	3.000% 0.000%	No	
SPIA - Term Certain Form 1080-0906	0-90	1 0	3.000% 0.000%	No	

Trail Commissions

Each year during the lifetime of the writing agent, the writing agent will be paid 0.2500% multiplied by all policyholder accumulated values on all applicable annuity policies written by agent, if he/she meets all the following qualifications:

- The combined total of all applicable flexible premium deferred annuity and single premium deferred annuity accumulated values on December 31 must be \$1,000,000 or greater, and
- The combined total of all applicable flexible premium deferred annuity and single premium deferred annuity accumulated values on December 31 must have a net increase over the previous December 31 balance, based on the following table:

PREVIOUS DECEMBER 31 BALANCE	REQUIRED NET INCREASE
Up to \$4,999,999	5% over previous December 31 balance
\$5,000,000-\$9,999,999	2½% over previous December 31 balance
\$10,000,000 - above	\$1 over previous December 31 balance

The writing agent must be currently contracted with the Company to receive trail commissions, unless he/she is vested. An agent is vested for trail commissions once he/she has earned seven (7) trail commission checks. A vested agent is not subject to the qualification requirements listed above. Trail compensation, when earned, will be paid annually for the entire lifetime of the writing agent. For purposes of calculating trail commissions, "writing agent" is defined as the agent who received the initial commission paid at the lowest hierarchy level on applicable annuity policies and who will continue to receive commission on those policies.

Footnotes

1. Commission rates shown on this Commission Schedule are annualized. Commissions on Bankers Accumulator policies are paid monthly at the beginning of each month. Commissions will be equal to the Accumulated Value of each Bankers Accumulator policy on the first day of the applicable month multiplied by the appropriate commission rate shown on this Commission Schedule, divided by twelve (12).
2. One hundred percent (100%) of all commissions paid will be charged back on lump sum death benefits paid or payable within the first twelve (12) months from the Issue Date of the policy. There will be no charge back of commission if:
 - a. the decedent's surviving spouse continues the policy pursuant to the provisions of the policy and the Internal Revenue Code, or,
 - b. if the death proceeds are paid out over a period of five (5) years or longer.