

WEST COAST LIFE INSURANCE COMPANY CONTRACTING INSTRUCTIONS

1. Contract Information Sheet (W7933)

Complete individual agent name or corporation name, the BGA Name, BGA Agent override# (which is the number we give you when you are setup as a BGA), Branch Code (this will be a numeric/alpha code that groups your down line), Next Level Agent is the recruiter, if other than BGA. Enter agent contract level.

2. Business Background Questionnaire (W7897)

Be sure to completely fill out form in its entirety to include:

- Social Security Number and, if applicable, corporate tax I.D. numbers
- Indicate whether your contract is to be executed in the name of an Individual, Corporation or Partnership. If Corporation or Partnership what is your title?
- Birth Date
- If you want mail routed to your office first, please put your address in the Mailing Address Section located in the upper right hand section.
- West Coast Life will not appoint an agent with a history of a felony conviction, no matter how old the conviction unless that agent obtains the required waiver from his resident state department of insurance who issued his license (as required under the Violent Crimes Control Act). If the agent obtains the waiver, he must meet other standards to West Coast Life's satisfaction.

3. Independent Agent's Agreement (W7964)

Be sure to sign the signature page and **DO NOT PRINT**. Once we have executed your contract, you will receive a copy in the mail.

- **DO NOT** fill in the dates on the signature page.
- Corporate, Partnership contracts must be signed by a principal.

4. Professional Liability Insurance

Enclose a current copy of your E & O declaration page. If the E & O does not have your name as the certificate holder we will require a letter from the certificate holder stating that you are covered under their E & O. If your E & O coverage has expired and if you have recently applied for E & O coverage and have not received your declaration page, we will accept a copy of the enrollment form, a copy of the check that was sent for payment and a copy of your expired declaration page. We will give a 30-day grace period. If declaration page is not received within 30 days, your contract will be terminated. **We do not accept self-insured E&O.**

5. Licenses

Enclose a copy of your **CURRENT** resident licenses and all other "sensitive" state licenses. (See list of sensitive states) Be sure to include the appropriate appointment forms for GA & MA. All other non-resident licenses can be submitted with agent's first piece of business.

6. Commission Direct Deposit (WCL DIR DEP 01/03)

All West Coast Life BGAs/Agents are **required** to use Electronic Fund Transfer (EFT) to have their commission checks directly deposited into checking accounts. Please complete the Commission Direct Deposit/Authorization form and attach a VOID check.

7. Internal Revenue Services W-9 Request for Taxpayer ID (W-9)

Be sure to complete with name or corporation name, address, city, state, zip, social security number and/or tax I.D. If corporate contract, the W-9 must contain the signing officer's social security number as well as the corporate tax I.D. The corporate W-9 must be signed by the principal signing the contracts.

8. Assignment of Commissions (W7965C 01-04)

If commissions are assigned, please obtain signature of Assignor. Also, check the box to indicate whether this applies to all policies placed in past and future or business as of the date of the assignment.

Note: Effective Tax year 2001, earnings on commissions will be reported to the Internal Revenue Service for the party (Assignor) who signed the Agreement on which commissions are being paid. A notation will be made on the 1099 form indicating that commissions were assigned.

Release of Assignment: To "terminate" assignment of commissions, we require written request signed and dated by Assignee. The written request should state whether or not the termination includes renewals. If the termination does not include renewals, we will terminate current agent number and issue a new agent number to be used for all future business. If a release of assignment is not attainable, you may request the contract to be terminated and request a new agent number.

9. Solicitors Appointment Request & Agreement of Conditions

We require the signature of both the Solicitor (referred to as the Agent) and the Agency Principal. The Solicitor must hold a valid state license and current E & O. The Agency Principal must hold a current Independent Agent Agreement.

Contracting Guidelines:

- Errors and Omissions coverage - **MANDATORY**
- Commission Direct Deposit - **MANDATORY**
- Dual contracting allowed – 2 Maximum
- Facsimile copies of contracting accepted. **DO NOT** follow-up with originals
- No first time license sponsoring

A new National Association of Insurance Commissioners (NAIC) regulation requires that every agent/BGA must hold a valid license in any state where a life application is solicited and in any state where commissions, including override commissions, are paid.

Here are the state's responses from our initial survey. This list is based on a preliminary survey and may change at a later date. For an official regulatory opinion, contact the appropriate State Insurance Department.

States that do not require the upline to be licensed:

AK, AL, AZ, AR, CO, CT, DC, DE, HI, ID, IL, IN, IA, KS, ME, MD, MI, MN, MO, MS, ND, NE, NV, NH, NJ, OH, OK, OR, RI, SC, TN, VT, WY

States that require all parties to be licensed in states where application is sold, including BGA & override commissions:

CA, FL, GA, KY, LA, MA, MT, NC, NM, PA, SD, TX, UT, VA, WA, WI, WV.

Corporate Contracts - The principal will only need to sign the Independent Agent's Agreement. One agent number will be assigned under the corporation name. If there are multiple principals (partners), the other partner should sign a Solicitor Agreement.

Dual Appointments – The agent is currently allowed 2 active agent numbers. The compensation level of the second agent number must remain the same for a period of six months from the effective date of the second contract. At that time, they are eligible for an increase in compensation, upon written request from the BGA.

Dual Appointments and Transfers – We require a complete contracting packet. This enables us to update our records and determine proper mailing address and determine if E & O and licenses are current.

Restricted States – Agent may submit contracting along with first piece of business with the exception of the following states. For the states listed below, a confirmation of appointment is required from the state prior to soliciting business in these states.

*Georgia **North Carolina *** Pennsylvania Utah Washington

PLEASE NOTE:

***Georgia** – Appointment effective date is the date the appointment is sent to the state.

The state will not process appointment until the background check is received with a passing grade.

****North Carolina** – Appointment effective date is the date the appointment is sent to the state.

*****Pennsylvania** – Appointment effective date is the date the appointment is sent to the state.

Mississippi

- **Residents** – Agents that are residents of MS reporting to a resident BGA of MS can be appointed.
- **Non-Residents** – Agents that are not residents of MS cannot request appointments for MS.

Massachusetts – We appoint directly to the state. Must appoint within 15 days of date of the application.

- **Broker** – Submit a copy of his/her broker license
- **Agent/Producer** - Submit a copy of license
- **Non-resident** – MA requires original letter of certification.

Montana – Agents may solicit business on behalf of an insurer in Montana (without first being appointed by that insurer) as long as the insurer notifies the Commissioner of the agent's appointment within 15 days from the date the agency contract is executed.

New Mexico - Agents may solicit business on behalf of an insurer in New Mexico (without first being appointed by that insurer) as long as the insurer notifies the Commissioner of the agent's appointment within 15 days from (i) the date the agency contract is executed or (ii) the first insurance application is submitted by the agent.

Washington- An individual and agency MUST hold the same lines as the appointing insurance carrier. For example, if the carrier has LIFE and DISABILITY, the individual and agency MUST be appointed for both LIFE and DISABILITY.

State appointments processed electronically overnight: AK, AL, AR, CA, CT, DC, GA, HI, IA, ID, KY, KS, LA, MD, MI, MN, MO, MT, NC, ND, NE, NH, NJ, NM, NV, OH, OK, OR, PA, SD, TN, TX, UT, VA, WI, WV & WY.