

Preferred Agent Agreement

Appointment:

Allianz Life Insurance Company of North America (we, us, our, the Company) hereby appoints you as a Preferred agent (agent, you or your) to represent us with respect to those insurance Policies we designate as Preferred. Such Preferred policies are referred to herein as "Policy" or "Policies."

You are an independent contractor, free to determine the time, place, and means of performing as our agent, and free to contract with other insurers. Your territory is any state in which you are licensed, and appointed by us. You have chosen to associate with a marketing organization (e.g. FMO, AFMO, BO) we have designated as meeting our criteria for being a Preferred marketing organization.

1. We authorize you to carry out your responsibilities as described in this agreement, including:
 - a. To solicit applications for Policies, and to promptly forward the applications to us for our consideration.
 - b. To collect the full initial premium for Policies applied for and to promptly submit this premium to us.
 - c. To promptly deliver Policies according to our delivery requirements.
2. We retain exclusive authority for all other matters. For examples, your authority does not permit you to:
 - a. Make or alter a contract for us, or waive or modify our rules or Policy rates or terms, or approve insurability.
 - b. Deliver a life Policy if you have reasonable grounds to believe that the health of the proposed insured at the time of the delivery is other than as stated in the Policy application.
 - c. Collect any premium after the initial premium without our prior written approval.
 - d. Extend the time to pay a premium or reinstate a lapsed Policy.
 - e. Adjust or settle any claim unless specifically directed by us.
 - f. Use advertisements, illustrations, sales or other materials referring to us or our products without our written consent.
 - g. Incur any expenses in our name without our prior written approval.

Agent responsibilities:

1. **Compliance.** You will conduct business related to this agreement ethically, honestly, fairly and professionally, and in accordance with the Compliance Guide. The Compliance Guide is available at the URL site www.allianzlife.com. We may make updates to the Compliance Guide from time to time, at our discretion. You are responsible to remain familiar with the updates.
2. **Compensation Schedules and Guidelines.** The Preferred Compensation Schedule and Preferred Compensation Guidelines (collectively, the Schedule and Guidelines) govern the terms and rates for compensation. These documents are available at the URL site www.allianzlife.com. We may make updates to these documents from time to time, at our discretion. You are responsible to remain familiar with the updates.
3. **Compensation Chargebacks.** For certain Policy changes (e.g. surrenders, lapses, distributions) we will charge you and you will pay us part or all of the compensation you were paid for that Policy, as described in the Schedule and Guidelines. In addition, if we refund the premium in any case, such as in response to a complaint, we will charge you and you will pay us all the compensation you were paid for that Policy. The decision to refund premium is solely our decision to make, based on what we determine is in the best interests of the Policy owner or us. You will pay us compensation chargebacks with interest, and any collection costs (including attorney fees) we incur. You hereby give us the right to apply compensation or other money we would otherwise owe you to pay chargeback debts you owe to us, to your marketing organization, or to a marketing organization affiliated with your marketing organization. You waive defenses and claims you may have against us for applying compensation or other money in this manner.

4. **Security.** You hereby give us a first security interest in money due you at any time related to this agreement to secure your performance under this agreement.
5. **Inforce Policies.** You will attempt to keep Policies in force. You will not encourage any insurance customer of ours to no longer be our customer. You will assist us to provide the Policy service requested by Policy owners for whom you are the agent.
6. **Prohibition on compensation.** You may attend incentive *events* or trips awarded completely or in part on your sale of Policies. You also may receive from your marketing organization the same quality service it provides to all its agents, regardless of production. Other than these, and the compensation in the Schedule and Guidelines, you must not accept anything of value related to selling or servicing a Policy or Policies, unless specifically approved by us in writing. You will provide us evidence of your compliance with this provision if we request it of you.

Company responsibilities:

1. **Compensation.** We will pay you, as full compensation for your services and expenses, according to the rates and terms in the Schedule and Guidelines. We will pay compensation on premiums received by us for Policies issued from applications procured by you during this agreement. We will not pay compensation on premiums from the cash value of another insurance policy issued by us. If the Application for Preferred Agent identifies you as a "license only" agent, we will pay compensation to the marketing organization to which you are contracted, and you will look solely to that marketing organization for compensation.
2. **Fees.** We will pay for your initial and renewal appointment fees.
3. **Policy forms and sales materials.** We will pay for and provide to you Company forms needed to write and service Policies and Company printed sales materials. You are responsible for all other business expenses. We own sales or educational materials we provide you. You may use these materials only to solicit and service Policies.
4. **Accounting.** We will promptly provide you with statements of your earnings, charges, loans and repayments.

Responsibilities of both parties. Each party will:

1. Keep records relating to the business transacted hereunder, and make those records available to the other party on request.
2. Conduct the activities related to this agreement according to applicable laws and regulations.
3. Fully cooperate with the other in regulatory matters relating to subjects within this agreement.
4. Provide prompt professional service to Policy applicants, owners and beneficiaries.

General provisions:

1. **Agent transfer.** The Company will permit the transfer of a Preferred agent to another Preferred marketing organization for both life and annuity Policies, or just one of these types, under the following guidelines:
 - a. The agent has not written new business for the Company or its subsidiaries during the last 6 months (written new business does not include policies cancelled under the free look provision of the policy); or
 - b. The agent has notified the Company of his/her intent to transfer to another organization, and 2 months has expired from the date of notice; or
 - c. The agent's contract has been terminated for 6 months or more.

To remain a Preferred agent you must remain assigned to a marketing organization we designate as Preferred. If your Preferred marketing organization loses that status with us, then to remain a Preferred agent, you must promptly choose another Preferred marketing organization and the waiting requirement does not apply.

2. **Termination at will.** Each party has unrestricted discretion to terminate this agreement at any time, without regard for any interests of the other party, for any reason or for no reason. By entering this agreement the parties deem any later at will termination to be a valid, lawful and binding termination of this agreement at will. Neither party is required to explain why it terminated this agreement at will. In some circumstances, as follows, termination at-will is automatic, without notice:
 - a. When you die if you are an individual, or upon the death of any partner if you are a partnership.
 - b. Upon dissolution, bankruptcy, insolvency or assignment for the benefit of creditors, if you are an entity.
 - c. Upon the commencement of any litigation or arbitration that includes a claim made by one party to this agreement against the other.

- 3. Termination for cause.** Termination for cause is effective immediately upon your being convicted of a felony or having your license revoked. Otherwise, termination for cause is effective on the date we send you notice of termination specifying a reason for the termination for cause. We may terminate this agreement for cause if you:
- a. Withhold any funds, commissions, overrides or other compensation payable to us.
 - b. Withhold any premiums, receipts, documents or correspondence that should have been sent to us.
 - c. Fail to promptly return any physical property belonging to us when requested to do so.
 - d. Are convicted of a felony, or are unable to renew your license or have it revoked or suspended in any jurisdiction.
 - e. Falsify or omit material information provided to us.
 - f. Misrepresent any of our Policies or services.
 - g. Misrepresent or omit any material information on an application for, or reinstatement of, a Policy.
 - h. Commit or attempt to commit fraud against us.
 - i. Cause or attempt to cause an employee or agent of ours to discontinue their association with us.
 - j. Cause or attempt to cause a policy owner of ours to discontinue a policy.
 - k. Fail to provide us with information or to otherwise cooperate with us for investigations we conduct based on complaints or inquiries of others related to this agreement, or based on our reason to suspect your noncompliance with this agreement.
 - l. Fail to comply with a material term of this agreement, including but not limited to a failure to comply with the "Prohibition on Compensation" provision of this agreement.

4. Other effects of termination. Upon termination of the agreement:

- a. Money you owe us is immediately payable.
- b. You will promptly return our printed materials and delete, or stop use of, our electronic materials.
- c. Any vesting or other rights you have to continue to receive compensation ends if we terminate this agreement for cause. If vested and you earn less than \$1000 compensation per year, we may pay you the present value of future compensation in a single lump sum.

5. Confidentiality Provision.

- a. Personal Information means financial and health information given to you or your representatives or to us by either (1) a Policy owner, (2) an applicant for a Policy that was not issued, or (3) a beneficiary, insured or annuitant who is not the Policy owner.
- b. As to Personal Information, each party will (1) keep it strictly confidential to itself and its representatives (2) use it only to perform duties hereunder, and (3) disclose it only as allowed by law and to only those who need to know it for the sole purpose of assisting a party in performing duties hereunder. Disclosure to representatives will be done only if such persons have agreed in writing to be bound by a confidentiality provision similar to the one in this agreement.
- c. If you receive confidential abuse information as defined in the applicable state domestic abuse insurance protection law or regulation, you will comply with that law or regulation in all respects and be subject to enforcement of such law or regulation in the courts of such state.
- d. You will implement written administrative, physical, and technical safeguard practices and procedures that reasonably and appropriately protect the confidentiality, integrity and availability of Personal Information that you create, receive, maintain or transmit related to this agreement.
- e. You will immediately provide a written report to us of any "breach of security" as defined under applicable state breach of security laws and regulations involving Personal Information, of which you become.
- f. Each party acknowledges that remedies at law may be inadequate to protect against breach of this provision and therefore agrees to the granting of injunctive relief if a party or its representative breaches this provision.
- g. If this agreement terminates, all obligations under this provision survive such termination and continue to be enforceable.

6. **Entire Agreement.** This agreement is comprised of this document and all documents referred to herein. This agreement supersedes prior written or oral statements or agreements on the subject of agents we designate as Preferred. If a part of this agreement is invalid, other parts remain effective.
7. **Amendment of terms.** With notice to you, we may change any provision of the documents comprising this agreement as to matters after the date of change. In addition, we may discontinue or modify a Policy or its compensation rates or rules. If you do not agree to be bound by agreement changes, your sole option and sole remedy is to terminate this agreement.
8. **Disputes.** The parties submit to the exclusive jurisdiction of, and waive any venue objections against, any state or federal court within Hennepin or Ramsey County in Minnesota and consent to the personal jurisdiction of such courts to resolve any dispute or claim arising out of or related to the subject matter of this agreement, whether the dispute or claim is one of contract, tort, statutory or otherwise. For any litigation, this agreement is governed by the laws of the State of Minnesota, without regard to principles of conflicts of laws.
9. **Electronic signatures.** Electronic signatures of the parties have the same effect as manual signatures, and any reasonably accessible method of electronic sending and storing of documents is an acceptable alternative to hard copies.
10. **Access codes.** We own the identifying codes you use to access our electronic sites (e.g. web, internet, intranet), and we may cancel your use any time without notice. You will not reveal your identifying codes to anyone other than those within your control with a reason to know. You are responsible for the use or misuse of our electronic sites by anyone within your control, and by others unless the use or misuse was without your authorization and solely caused by our failure to keep your identifying codes confidential.
11. **Communications.** You permit us and our representatives to communicate with you via fax, electronic mail, and telephone until and unless you notify us that you do not want to receive communications through one or more of these methods.
12. **Non-waiver.** The failure of a party to insist that the other party perform according to this agreement is deemed to not waive the need to perform.
13. **Assignment.** You may not assign compensation or this agreement except by obtaining our written consent. If you assign this agreement to an entity, you unconditionally guarantee the performance and obligations of the entity.
14. **Background reports.** For as long as this agreement is in effect, you authorize us to contact others regarding your character and background and to obtain credit, consumer or criminal background reports.
15. **Notice.** "Notice" to you includes notice sent to your last known fax number, electronic mail or mailing address, and notice posted on our electronic site. Notice via fax, electronic mail, or regular mail is effective on the date sent unless the notice indicates otherwise. Notice via our electronic site is effective on the date posted unless indicated otherwise.

This agreement is entered in Minnesota, effective on the date signed by the Company below.

The agent by signing below requests to be bound to the terms and conditions of this agreement.

Signature of agent

Date

Print name

The Company by signing below accepts your appointment as agent according to this agreement.

Allianz Life Insurance Company of North America

Authorized Officer

Date