



## PRUDENTIAL CONTRACTING CHECKLIST

Agent/Agency: \_\_\_\_\_

Direct Upline: \_\_\_\_\_

### Documents To Be Completed & Return:

- Confidential Data Sheet – Individual Appointment Application [NR-000004] (*MUST ALWAYS BE COMPLETED*)
- Broker Agreement [BA\_3-2009] (*To be completed if you are being setup as an INDIVIDUAL*)
- Confidential Data Sheet – Firm Appointment Application [NR-016976] (*To be completed if you are also setting up an AGENCY.*)
- Broker Agreement [BFA-C\_3-2009] (*To be completed if you are also setting up an AGENCY.*)
- Proof of E&O
- Individual State License(s)
- Corporate State License(s) (If Applicable)

\* If you are being setup as a SOLICITOR, complete the 'Confidential Data Sheet – Individual Appointment Application' form and check off "Selling on behalf of a firm" at the top of the first page.

### SEND TO:

**Mail:** Attention: Life Licensing  
American Brokerage Services  
803 E Willow Grove Ave  
Wyndmoor, PA 19038  
**Fax:** (215) 233-3140



**CONFIDENTIAL DATA SHEET  
INDIVIDUAL APPOINTMENT APPLICATION – LIFE INSURANCE**

**Type of Contract - Please check applicable boxes.**

Individual (Include signed Broker Agreement)

Selling on behalf of a firm, complete firm information, "Section "C"

If selling on behalf of a Broker Dealer with compensation being paid to the B-D, complete "Section D"

**A. Producer Information – Complete all fields or mark N/A.**

|  |                                |                                   |
|--|--------------------------------|-----------------------------------|
| Last Name  | First Name                     | Middle Name                       |
| Social Security Number                           |                                | Date of Birth                     |
| E-mail Address                                   |                                | FINRA CRD#                        |
| Business Address                                 |                                |                                   |
| City   | State                          | Zip                               |
| Business Telephone                               |                                | Fax Number                        |
| Home Address                                     |                                |                                   |
| City   | State                          | Zip                               |
| List State(s) to be appointed                    | <input type="checkbox"/> Fixed | <input type="checkbox"/> Variable |
| Florida non-resident appointments, list counties |                                |                                   |

**B. Errors & Omission – Complete this section only if contracting as an individual.**

|  |               |
|--|---------------|
| Do you carry individual Errors & Omission coverage? <input type="checkbox"/> Yes <input type="checkbox"/> No | Policy Number |
| Amount of coverage   | Carrier Name  |

**C. Firm Information - Complete this section only if selling on behalf of a firm.  
\*\* Important\*\* A separate firm CDS is required when contracting and/or appointing a firm.**

|           |                     |       |     |
|-----------|---------------------|-------|-----|
| Firm Name | FEIN or Contract No |       |     |
| Address   | City                | State | Zip |

**D. Broker Dealer Information – Complete this section only if selling on behalf of a Broker Dealer.**

|                    |                        |
|--------------------|------------------------|
| Broker Dealer Name | B/D FEIN or CRD Number |
|--------------------|------------------------|

**E. Brokerage General Agency (BGA) Information Section – Complete all fields.**

|             |                     |            |
|-------------|---------------------|------------|
| BGA Name    | BGA Contract Number |            |
| BGA Contact | BGA Phone           | BGA E-Mail |

**F. New Business Information Section – Complete all applicable fields.**

|  |   |        |
|--|---|--------|
| <b>Have you submitted new life business with this appointment request?</b> |   |        |
| <input type="checkbox"/> <b>Yes</b>  | Name of proposed insured:   | State: |
| <input type="checkbox"/> <b>No.</b>  | <b>Important</b> - If there is no new business and the appointment is being requested in a jurisdiction that allows concurrent submission, the appointment request will not be processed but will be held for 90 days from the date the CDS was signed. |        |

\*\*\*\*\* Signature and date are required on Page 2 and Page 3 of this appointment application. \*\*\*\*\*

**G. Anti-Money Laundering Certification – Complete if applicable.**

Producers affiliated with, employed by, or registered with an entity required under Section 352 of the USA PATRIOT Act to provide ongoing AML training may satisfy Prudential's AML training requirement by providing satisfactory responses to the questions below. "Affiliated" in terms of an insurance company and for purposes of satisfying the AML training means that there is a direct relationship with the insurance company, e.g., a career agent or employed by the insurance company. An appointment to represent an insurance company does not mean you are "affiliated" with that insurance company. If you cannot certify completion of an AML training program, Prudential will enroll you in the LIMRA web based training. A letter of instruction will be provided to you under separate cover.

I certify that I am currently affiliated with or employed by either an insurance company or a bank, located in the United States that is subject to Section 352 of the USA Patriot Act and that I have completed the entity's required AML training program.  Yes  No

Name of insurance company or bank

I certify that I am a currently registered with a Broker Dealer located in the United States and that I have completed the entity's required AML training program.  Yes  No

Name of Broker Dealer

**H. Background Information Section – All questions must be answered.**

**IF YOU ANSWER "YES" TO ANY OF THE QUESTIONS BELOW, A LETTER OF EXPLANATION MUST BE ATTACHED TO THIS APPOINTMENT APPLICATION.**

|    |   |  |
|----|---|--|
| 1. | Have you ever been subject to an insurance or investment related consumer initiated complaint or proceeding that alleged or found fraud, sales practice violation, forgery, theft, misappropriation or conversion?        | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. | Have you ever been convicted of, pled guilty or nolo contendere to, or are you currently under indictment for any criminal felony or misdemeanor?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. | Do you currently have any unsatisfied judgments or liens against you?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. | Have you ever filed for personal bankruptcy or been declared bankrupt?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. | Have you ever had an insurance license or appointment or a securities registration suspended or revoked or been disqualified or disciplined as a member of any profession?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. | Are you currently party to any litigation or the subject of any investigation?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. | Have you ever been permitted to resign, been discharged or terminated after you were accused of fraud, theft, or failure to supervise in connection with insurance or investment related activities or other wrong doing? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

**I hereby:**

- Release Prudential, its authorized agents and any person or entity which provides information pursuant to this authorization, from any and all liabilities, claims or lawsuits in regards to the information obtained from any and all sources.
- Certify that all of the information contained in this application is true and correct. I further understand that any falsification, misrepresentation or omission of information from this form may result in the withholding or withdrawal of any offer of appointment or the revocation of appointment by Prudential whenever discovered.
- Understand that I am obligated to report immediately any event that would change any of the information, in any manner, which I have provided in this application.
- Certify that I have not been convicted of any crime that would disqualify me from association with Prudential under the Violent Crime Control Act and/or Employee Retirement Income Security Act.

**X**

Licensee's Signature

Licensee's Name (Please Print)

Date (MM/DD/YYYY)

\*\*\*\*\* Signature and date are required on Page 2 and Page 3 of this appointment application. \*\*\*\*\*

**DISCLOSURE STATEMENT UNDER THE FAIR CREDIT REPORTING ACT**

By this document, The Prudential Insurance Company of America (the "Company") discloses to you that a consumer report regarding your credit history, criminal history and other background information and/or an investigative consumer report containing information as to your character, general reputation, personal characteristics, and/or mode of living, may be obtained from personal interviews or other sources in connection with your application for appointment or for any appointment purpose at any time during your appointment. The nature and scope of the information that Prudential may request include criminal, credit, education, employment, fingerprint, military and Department of Motor Vehicles records; social security number trace; regulatory reporting history; and address history. A consumer and/or investigative report will be ordered from Business Information Group, 1105 Industrial Highway, Southampton, PA 18966, 800-369-2612. Upon your written request, it will be confirmed to you whether an investigative report was requested with the name and address of the consumer reporting agency to whom such request was made and a complete and accurate disclosure of the nature and scope of the report.

**ACKNOWLEDGMENT AND AUTHORIZATION UNDER THE FAIR CREDIT REPORTING ACT**

In connection with my application for appointment with The Prudential Insurance Company of America, or any of its subsidiaries or divisions ("Prudential"), I authorize Prudential to procure consumer reports and/or investigative consumer reports for appointment purposes, including, without limitation, reports regarding my finances, credit worthiness, employment history, background, character, general reputation, personal characteristics, and/or mode of living. The nature and scope of the information that Prudential will be requesting and reviewing may include: criminal, education, employment, military, fingerprint and Department of Motor Vehicles records; social security number trace; regulatory reporting history; and address history. Prudential will be obtaining this report from Business Information Group at the address listed in the above Disclosure Statement.

I understand that this authorization shall remain on file and shall serve as a continuing authorization for Prudential to procure consumer reports and/or investigative consumer reports for appointment purposes at any time during my appointment by Prudential, to the maximum extent permissible by law. This authorization shall be valid in original, faxed or photocopied form. This authorization shall expire upon termination of my appointment with Prudential.

By signing this document immediately below, I authorize Prudential to procure the consumer and/or consumer investigative reports described on this page. I also acknowledge that I have received and read the Disclosure Statement contained on this page, and that I understand it.

**X**

**Licensee's Signature** **Licensee's Name (Please Print)** **Date (MM/DD/YYYY)**

**Minnesota, California or Oklahoma:**

Check here to receive a copy of the consumer report/investigative consumer report.

**Massachusetts** candidates may receive a copy of the report upon request.

**New York** candidates have a right to receive and inspect their reports by contacting the consumer-reporting agency.

Send requests for information on consumer reports obtained by Prudential as noted above to the following address:

Prudential Financial  
Attn: Compliance - Prehire Manager  
One New York Plaza, 16<sup>th</sup> Floor  
New York, NY 10292

Completed appointment application forms can be mailed, faxed or e-mailed to:

Prudential National Service Center  
13001 County Road 10, Plymouth, MN 55442  
**Fax: (800) 875-5965**

**E-mail: [brokerage.appointment@prudential.com](mailto:brokerage.appointment@prudential.com)**

**\*\*\*\*\* Signature and date are required on Page 2 and Page 3 of this appointment application. \*\*\*\*\***



## Broker Agreement (Life Insurance)

This Broker agreement (hereinafter, the "Agreement") is between The Prudential Insurance Company of America, Pruco Life Insurance Company, and Pruco Life Insurance Company of New Jersey (hereinafter collectively, the "Company") and the individual whose name appears on page nine of this Agreement (hereinafter, the "Broker").

1. **Appointment** - The Company appoints the Broker as a non-exclusive insurance agent to solicit applications for the non-Securities Exchange Commission ("SEC") registered life insurance policies (hereinafter individually, the "Policy" or collectively, the "Policies") of the Company. Such Policies are identified as Eligible Products in a List of Eligible Products (hereinafter, "Exhibit A") attached hereto. From time to time Exhibit A may be updated or amended by the Company. Such updates or amendments will be effective upon notice, as defined in Section 15(f), (hereinafter, "Notice") to the Broker that a new or amended Exhibit A has been issued. The Company will have the sole discretion to appoint any Broker and any employee or representative of the Broker as an insurance agent of the Company.
2. **Authority and Undertaking** –
  - a. This Agreement authorizes the Broker to:
    - i. solicit, procure and submit applications for Policies of the Company, provided the Broker is properly state licensed and state appointed to do so, as required by the Company's Licensing, Appointment and Registration Policy (hereinafter the Company's "Licensing, Appointment and Registration Policy");
    - ii. ensure that all Policy placement requirements are satisfied and to deliver Policies to policyowners; and
    - iii. assist policyowners in obtaining prompt service from the Company with respect to the administration of Policies, and in maintaining their coverage as long as that coverage is in the interest of the policyowner.
  - b. Broker agrees to the following undertaking in its capacity as a Broker with regard to its employees and representatives for Policies:
    - i. Broker has full responsibility for the supervision of all employees and representatives who are engaged, directly or indirectly, in performing administrative functions on Broker's behalf to ensure that they are in compliance with all applicable federal, state and local laws and regulations and all rules and procedures of the Company (which rules and procedures may be changed by the Company at its own discretion).
3. **Limitations of Broker's Authority** - The Broker's authority is limited to what is authorized in Section 2. This section is intended to provide examples, not an entire listing, of actions that are outside the authority granted in Section 2. Broker agrees that its authorization is limited to solicitation of applications and marketing of Policies in accordance with this Agreement. Broker represents and agrees on behalf of himself and employees and representatives that none of them will act in a manner not authorized by this Agreement and that any such unauthorized action, including but not limited to the following actions, would be considered a breach of this Agreement:
  - a. bind the Company except as specifically authorized by this Agreement;
  - b. make representations as an agent of the Company in any manner or for any purpose except as specifically authorized by this Agreement;
  - c. make, alter or modify any Policy or receipt;
  - d. waive any provision or condition of any Policy issued by the Company;
  - e. extend the time for payment of any premium on any Policy, bind the Company to the reinstatement of any terminated Policy or accept promissory notes for payment of premiums on any Policy;
  - f. adjust or settle any claim or commit the Company with respect to any claim, except as specifically directed in writing by the Company;



- g. provide or offer to provide any inducement not specified in the Policy or any rebate, either directly or indirectly, to any person or entity, as an inducement to purchase any Policy;
  - h. accept funds, unless those funds are payable to the Company and only under the following circumstances:
    - i. when the application and the funds are submitted simultaneously and the Company's standards for prepaid applications have been met, or;
    - ii. the Company's delivery requirements have been met and the Policy has been delivered, and;
    - iii. such funds must be remitted to the Company within one business day of receipt;
  - i. incur any expense or liability on account of the Company without specific written authority to do so from the Company;
  - j. demand or accept any remuneration other than what is provided by the Company for rendering any service specifically related to the normal maintenance and care of the Company's business. This provision does not prohibit the Broker from accepting fees for any services provided by the Broker other than those authorized by this Agreement;
  - k. make any misrepresentation or incomplete comparison for the purpose of inducing a potential or actual policyowner to purchase, convert, lapse, surrender all or any portion of, forfeit, borrow from, or replace any Policies;
  - l. induce or attempt to induce any policyowner to replace or relinquish a policy or to withdraw values from a policy when doing so would be in violation of the Company's Replacement Policy or any state or federal law or regulation or not in the interest of the customer;
  - m. solicit, procure or submit applications for the SEC registered life insurance policies of the Company which are controlled by selling agreements between FINRA member broker dealers;
  - n. deliver, or allow the delivery of, the Policy unless the health of the proposed insured(s) is in accordance with the Company's requirements, if any, and, where required, the first premium is paid in full;
  - o. request that a client pre-sign any Policy related form for use at a later date, request a client to sign any Policy related forms unless completed in its entirety or accept any signed Policy related form unless said forms are complete and ready for submission to the Company; and
  - p. engage in any insurance transaction that requires compensation disclosure, as determined by the applicable law, without making such required compensation disclosure.
4. **Broker's Representations** - The Broker represents and agrees:
- a. to abide by the Company's policies and procedures related to the solicitation and sale of Policies, which are identified on Exhibit B and made a part hereof;
  - b. to abide by any revised or additional policies and procedures that the Company communicates;
  - c. to review and become familiar with the Company's Policies prior to soliciting applications for these Policies;
  - d. to comply with all applicable insurance laws and regulations;
  - e. to use fact finding tools for determining applicant's insurable needs and financial objectives;
  - f. to solicit applications for Policies only from applicants for whom the Policies are suitable;
  - g. to solicit, procure and submit applications for Policies only if properly state licensed and state appointed to do so as required by the Company's Licensing, Appointment and Registration Policy and to provide the Company copies of all licenses;
  - h. that the Broker will not solicit applications for Policies in any state unless the Policy has been approved for sale in that state;



- i. to assist policyowners in obtaining prompt service from the Company with respect to the administration of Policies and in maintaining their coverage as long as that coverage is in the interest of the policyowner;
- j. that all terms and conditions of this Agreement apply to any employee or representative of the Broker who solicits applications for Policies on behalf of the Broker; and the Broker further agrees to ensure that such employees or representatives comply with all terms and conditions of this Agreement. Furthermore, Broker agrees to notify Company immediately if Broker, its employees or representative breach any terms or conditions of this agreement;
- k. that except as disclosed to the Company on the Broker's application for appointment:
  - i. neither the Broker's insurance license nor the insurance license of any of its employees or representatives has ever been revoked, suspended, or rescinded in any state or jurisdiction;
  - ii. neither the Broker nor any of its employees or representatives has ever been fined by any insurance regulator in an amount of \$5,000 or more;
  - iii. and neither the Broker nor any of its employees or representatives are currently the subject of any disciplinary proceeding or investigation in any state or jurisdiction by any Department of Insurance, Attorney General's office or other governmental authority;
- l. that except as disclosed to the Company on the Broker's application for appointment:
  - i. if the Broker or any of its employees or representatives is or has ever been a registered principal or representative of a member of the FINRA, the said registration with the FINRA is not now and never has been suspended, revoked or canceled;
  - ii. neither the Broker nor any of its employees or representatives has ever been fined by the FINRA or other self-regulatory organization in an amount of \$5,000 or more;
  - iii. and neither the Broker nor any of its employees or representatives is currently the subject of any disciplinary proceeding or investigation by the SEC or FINRA;
- m. that neither the Broker nor any of its employees or representatives has ever been convicted of any felony or of any offense set forth in United States Code Title 18, Part I, Chapter 47, Section 1033 pertaining to "Crimes by or affecting persons engaged in the business of insurance whose activities affect interstate commerce";
- n. that Broker, upon request of Company, shall, within thirty (30) days of receipt, return to Company a questionnaire or certification regarding any regulatory, civil and/or criminal proceedings, including arbitration, against the Broker or any employee or representative commenced or concluded by any state insurance or securities department, FINRA or other self-regulatory organization, and/or in any court of competent jurisdiction. Broker shall provide Company with a full explanation regarding matters disclosed in the questionnaire or certification;
- o. that the Broker and its employees or representatives will comply with all applicable insurance laws, regulations and requirements and all other applicable state and federal laws, regulations and requirements in soliciting applications for Policies; that the Broker will be fully responsible for all acts of its employees or representatives in soliciting applications for Policies;
- p. that the Broker will notify the Company in writing immediately of the termination of the employment or affiliation of an employee or representative who is appointed to represent the Company pursuant to this Agreement;
- q. that with regard to any bank marketing, Broker will comply with the disclosure and advertising requirements implemented by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency and the Office of Thrift Supervision, including but not limited to disclosure with the respect to the sale or recommendation of Policies, illustrations, disclosures and all other applicable laws and requirements;
- r. that no Company Policy shall be sold to or used in any manner with a viatical or life settlement company or be part of a viatical or life settlement;



- s. to complete a permanent registration for the PrudentialXpress website at [www.pruxpress.com](http://www.pruxpress.com) (hereinafter, the "Website") within 30 days of the effective date of the Agreement. Use of the Website will be subject to the terms and conditions of the Website;
  - t. for the term of the Agreement, to access the Website no less frequently than once every 90 days and to read and review the "Notices & Schedules" page of the Licensing section; and
  - u. for the term of the Agreement, to maintain an active Website registration.
5. **Independent Contractor** - The Broker is an independent contractor and is not an employee of the Company. The Broker is free to exercise independent judgment as to the time, place and means of performing the authority granted, subject to the terms and conditions of this Agreement. The Broker's business and any services provided by the Broker, other than those authorized by this Agreement are not and will not be represented to be the business of the Company.

Service provided by the Broker to any policyowner in connection with any employee benefit program or employee compensation program of any nature is not and will not be represented to be the business of the Company regardless of the use of a Policy or group of Policies issued by the Company in conjunction with the aforesaid program.

6. **Advertisements and Marketing Materials** – The Broker agrees that any material it develops, approves or uses for sales, training, explanatory or other purposes that mentions by name the Policies or Company (or any affiliate of the Company or any logos of any of them) will not be used without prior written consent of the Company. The Broker will not publish, issue, circulate or use in any manner whatsoever any advertisements or marketing materials describing or referring to the Company, the Policies or any product of the Company unless such advertisements or marketing materials have been approved in writing in advance by the Company.

The Broker will not misrepresent the Policies or the Company and will make no oral or written representation which is inconsistent with the terms of the Policies or with the information in any illustration or sales literature furnished by the Company.

7. **Errors and Omissions** - The Broker agrees to maintain Errors and Omissions coverage with unimpaired limits of not less than one million dollars and to provide evidence of such coverage satisfactory to the Company upon request by the Company. The Broker will notify the Company in writing immediately if the coverage is terminated or suspended.

8. **Indemnity** - The following indemnification will apply:
- a. the Company will indemnify, defend and hold harmless the Broker, its employees or representatives against any losses, claims, damages, judgments, liabilities, penalties or expenses of any nature, including but not limited to reasonable attorneys' fees and court costs which arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any sales material written and/or approved by the Company;
  - b. the Broker will indemnify, defend and hold harmless the Company, its affiliates, directors, officers, and agents against any losses, claims, damages, judgments, liabilities, penalties or expenses of any nature, including but not limited to reasonable attorneys' fees and court costs which arise out of or are based upon any unauthorized use of sales materials or any verbal or written misrepresentations or any unlawful sales practices, or failure of the Broker or its employees or representatives to comply with the provisions of this agreement or the willful misfeasance, bad faith, negligence or misconduct of the Broker or its employees or representatives in the solicitation of applications for, or sale of, Policies.

The indemnification will survive the termination of this Agreement.

9. **Complaints, Investigations and Proceedings** - The Broker will promptly notify the Company of any allegation that the Broker, or any of its employees or representatives, violated any law or regulation which may impact their ability to represent the Company, or any term or condition of this Agreement and will promptly notify the Company of complaints made to the Broker, or any of its employees or representatives, concerning the Company's business. Further, the Broker will provide the Company with full details, including copies of all documents pertaining thereto.



Furthermore, the Broker will cooperate fully with the Company in any regulatory, judicial or Company investigation or proceeding related to the solicitation of applications for or the sale of Policies by the Broker or any of its employees or representatives.

The Broker shall have the responsibility for maintaining accurate and complete records of all transactions relating to the solicitation of applications and the sale of Policies for the Company as required of it by applicable federal and state laws and regulations. These records will be made available to the Company for inspection upon request, including after termination of this Agreement. The records maintained by Broker under the terms of this Agreement that relate to the sale of Policies, shall be maintained so as to clearly and accurately disclose the nature and details of the transactions as required by appropriate laws, rules and regulations and for the period required by law. Broker shall also comply with any record hold order issued by the Company.

10. **Compensation** - In consideration of and as full compensation for the services performed in accordance with this Agreement, the Broker will receive compensation from the Company either, (1) as set forth in the Company's Commission Schedule posted to the Website in effect as of the date of issue, as determined by the Company, for each Policy or; (2) if the Company determines the Broker is eligible for any expense allowances or a compensation arrangement that differs from the Commission Schedules posted to the Website, such compensation will be communicated to the Broker in writing in a separate Schedule ("Compensation"). The Broker will only be entitled to Compensation for Policies that have been submitted by the Broker, accepted by the Company, delivered by the Broker and where all the requirements of the Company's Licensing, Appointment and Registration Policy have been satisfied, subject to the following provisions:
- a. Any amount due the Company from the Broker, whether arising from this or any other agreement with the Company, will be repaid by any amount payable under this Agreement, until the amount of such indebtedness is fully paid.
  - b. If the Company returns, for any reason, any premiums or purchase payments on any Policy, the Broker will have an immediate obligation to, and will upon demand, repay the Company all the Compensation previously received by the Broker as a result of those premiums or purchase payments.
  - c. When two or more Brokers are listed as the writing representative on an application, Compensation for that Policy will be payable in the proportion as directed on the application or in a writing acceptable to the Company.
  - d. Compensation due is vested to the writing Broker or the writing Broker's estate, for the period set forth in the Policy Commission Schedule and, if applicable, a separate compensation schedule, provided premiums continue to be paid and such receipt of Compensation is permitted by applicable regulatory agencies.
  - e. No Compensation is payable to the Broker after the Policy has lapsed, or after the discontinuance of premium payments, but should the Broker secure the reinstatement of said Policy, while properly licensed to do so, the Company will pay compensation to the Broker on premiums collected, as though the Policy had not lapsed. If the time between the lapse and reinstatement is greater than three months, all Compensation (current and future) shall be payable based upon the original issue date of the policy to the Broker who secures the reinstatement and signs the reinstatement form.
  - f. Service Commissions, if applicable, as defined in the Company's Commission Schedule, shall be payable for the period and upon the terms set forth in the Commission Schedule.
  - g. After the first policy year, no Compensation will be paid on any premium that is waived.
  - h. No assignment of Compensation is valid against the Company unless acknowledged in writing by the Company.
  - i. If a Policy replaces, in whole or in part, a policy or contract previously issued by this or any other insurance company, the Company has the right to determine what, if any, Compensation will be allowed.
  - j. If a Policy is changed to a different kind or amount, or if its date is changed, the Company has the right to determine what, if any, Compensation will be allowed.
  - k. No Compensation will be paid on any Policy issued as the result of the conversion of group life insurance.



- l. The Company will not be obligated to pay any Compensation which would be in violation of applicable laws or regulations of any jurisdiction, anything in this Agreement to the contrary notwithstanding.
  - m. Compensation on premiums paid more than three months in advance are payable on the date the premiums are due.
  - n. All premiums and Compensation is payable in U.S. currency.
  - o. No Compensation is payable on any extra war risk premium which may be charged in connection with any Policy.
11. **Privacy** - Each party acknowledges that they may be provided with information or access information about customers of Company or Broker ("Customer Information"). Each party agrees to comply with any federal, state, provincial and/or local law or regulation related to privacy. Furthermore, each party represents and warrants that it has implemented and currently maintains an effective information security program to protect the Customer Information, which program includes administrative, technical, and physical safeguards:
- a. to ensure the security and confidentiality of Customer Information;
  - b. to protect against any anticipated threats or hazards to the security or integrity of such Customer Information; and
  - c. to protect against unauthorized access to or use of Customer Information which could result in substantial harm or inconvenience to either party or other affiliates, or to customers of any of them.

If Broker has a breach of security that requires notice to an individual under applicable state laws, Broker will also provide Company with a copy of such notice at the same time it is sent to such individual in accordance with the Notice provision of this Agreement.

12. **Anti-Money Laundering**

- a. Broker represents and agrees that it has reviewed and is familiar with (i) applicable laws, regulations, rules and guidance governing the detection, prevention and reporting of money laundering and terrorist financing activities, including, but not limited to: (1) provisions of the USA PATRIOT Act of 2001 and regulations thereunder; (2) provisions of the Bank Secrecy Act and regulations thereunder; (3) relevant rules and regulations promulgated by the Office of Foreign Assets Control; and (4) all record keeping, reporting and auditing requirements of these laws, regulations and rules; and (ii) Company's Anti-Money Laundering Program.
- b. Broker agrees to complete Company's Anti-Money Laundering training provided by LIMRA, or such training approved in advance by Company in writing, concerning the detection, prevention and reporting of money laundering and terrorist financing activities, when and as required by Company. Broker agrees to provide Company with a certification, upon request, that it has completed such training and detailing the subject matter and dates of such training and the persons trained.
- c. Broker agrees to report to Company any transaction, or pattern of transactions, that it knows, suspects, or has reason to suspect: (i) involves funds derived from illegal activity (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation or is intended or conducted to hide or disguise funds or assets derived from illegal activity; (ii) is designed, whether through structuring or other means, to evade the requirements of the Bank Secrecy Act or any regulations promulgated thereunder; (iii) has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage; or (iv) involves the use of Company to facilitate criminal activity. Broker agrees to comply with any requests from Company for assistance in the detection or investigation of potential suspicious transactions in a timely manner. Broker agrees and acknowledges that notice to any individual of any investigation or reporting involving a suspicious transaction or activity is prohibited by federal law and agrees to ensure the confidentiality of any such investigation or reporting.



- d. Broker agrees to permit inspection relating to its compliance with the foregoing by any U.S. federal regulatory or law enforcement agency having jurisdiction and will make available to examiners from such agencies such records and information as they may request relating thereto.
- e. Company shall have the right, upon reasonable notice, to obtain and review documentation evidencing compliance with Company's Anti-Money Laundering Program and the foregoing laws, regulations and rules.

### 13. Termination

- a. This Agreement may be terminated with or without cause by either party immediately upon Notice to the other party.
- b. The Agreement will terminate automatically at the date and hour of the suspension, revocation, cancellation or rescission of any state insurance license or FINRA license or registration of the Broker.
- c. The Agreement will terminate immediately upon Notice by the Company of the cancellation of all the Broker's state insurance appointments.
- d. Compensation according to the terms of this Agreement will survive the termination of this Agreement, subject to any conditions imposed by law on payment of compensation.
- e. The Company may at any time, in its sole discretion, withhold or withdraw authority of any employee or representative of the Broker to solicit applications for Policies. Upon the Company giving Notice to the Broker of its withdrawal of authority of an employee or representative to solicit applications, the Broker will immediately ensure that any such employee or representative cease all such solicitations.

14. **Effective Date** - This Agreement is effective once fully executed by both the Company and the Broker. The Effective Date shall be the date the Company executes the Agreement.

### 15. General Provisions

- a. **Entire Agreement** - Except as is provided in long-term care broker, general agent and broker dealer agreements, if any, this Agreement and its schedules and attachments thereto, constitutes the entire agreement between the parties and supersedes all other prior Agreements and understandings, oral or written.
- b. **Amendment** - Company reserves the right to amend this Agreement at any time. Submission of an application for a policy after Notice of such amendment will constitute agreement of the Broker to such amendment.
- c. **Non-Waiver** - Any right(s) not enforced by the Company under this Agreement will not be construed as a waiver of any of the terms and conditions of this Agreement and the same will remain in full force and effect. A waiver of any provision in this Agreement will not be deemed to be a waiver of any other provision, whether or not similar, nor will any waiver of a provision in this Agreement be deemed to constitute a continuing waiver.
- d. **Severability** - Any term or provision of this Agreement which is invalid pursuant to the laws and regulations of that jurisdiction will, as for that jurisdiction, be ineffective. Such term or provision will not render the remaining terms and provisions of this Agreement invalid. In addition, such term or provision will not affect the validity of any of the terms or provisions of this Agreement in any other jurisdiction.
- e. **Captions** - The captions or headings of this Agreement are for convenience and ease of reference only. They will have no effect on the meaning or interpretation of any provision of this Agreement.
- f. **Notice** - Notice to the Broker under this Agreement will be provided by the Company and will be deemed given as follows:
  - i. When posted to the "Notices & Schedules" page of the Company's Website;
  - ii. When sent electronically by e-mail to the Broker's most recent e-mail address on file with the Company;or



- iii. When provided in writing and sent by facsimile, prepaid overnight courier, or first-class mail to the Broker's most recent address on file with the Company.

All notices to the Company under this Agreement will be provided in writing by the Broker and sent by first-class mail to:

Licensing and Administration  
Prudential Select Brokerage  
13001 County Road 10  
Plymouth, MN 55442

- g. **Governing Law** - This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey (without regard to the conflicts of laws provisions) thereof and that in all cases where a party seeks relief in connection with this Agreement in a court of competent jurisdiction, the exclusive forum and venue shall be the state and federal courts having jurisdiction and venue in the State of New Jersey.

*(The remainder of this page is left blank intentionally.)*



- h. **Survival-** Upon termination of this Agreement, all authorizations, rights and obligations shall cease except as those contained in sections 7 (Errors and Omissions), 8 (Indemnity), 9 (Complaints, Investigations and Proceedings), 10 (Compensation), 11 (Privacy), 12 (Anti-Money Laundering), 13(d) (Termination), and 15 (General Provisions).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date:

**By my signature below, Broker agrees to be bound by this agreement form number BA\_3-2009 and all of its terms and provisions:**

Name of Broker: \_\_\_\_\_

Signature: \_\_\_\_\_

SS#: \_\_\_\_\_

The Prudential Insurance Company of America

Signature: \_\_\_\_\_

Vice President, Prudential Select Brokerage

Date: \_\_\_\_\_

Pruco Life Insurance Company

Signature: \_\_\_\_\_

Vice President, Prudential Select Brokerage

Date: \_\_\_\_\_

Pruco Life Insurance Company of New Jersey

Signature: \_\_\_\_\_

Vice President, Prudential Select Brokerage

Date: \_\_\_\_\_



## **Exhibit A -- "List of Eligible Products"**

Pursuant to Section 1 of the Broker Agreement, the following is a list of Prudential non-variable individual life insurance policies for which the Broker is appointed to solicit, procure and submit applications, and assist policyowners in obtaining service from the Company.

### **Policies for Pruco Life Insurance Company**

PruLife<sup>®</sup> Universal Plus  
PruLife<sup>®</sup> Universal Protector  
PruLife<sup>®</sup> SUL Protector  
Term Elite  
Term Essential  
PruLife<sup>®</sup> Return of Premium Term

### **Policies for Pruco Life Insurance Company of New Jersey**

PruLife<sup>®</sup> Universal Protector  
PruLife<sup>®</sup> SUL Protector  
Term Elite  
Term Essential  
PruLife<sup>®</sup> Return of Premium Term

### **Policies for Prudential Insurance Company of America**

PruLife<sup>®</sup> Universal Plus

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**Exhibit B -- List of Policies and Procedures**

- Licensing, Appointment and Registration Policy
- Replacement Policies and Procedures



**CONFIDENTIAL DATA SHEET  
FIRM APPOINTMENT APPLICATION – LIFE INSURANCE**

**A. Contracting Information – Complete all fields and include a signed Brokerage Firm Agreement.**

|   |  |                 |     |
|---|--|-----------------|-----|
| Firm Name                                       |  | Firm FEIN       |     |
| Address   |  |                 |     |
| City  |  | State           | Zip |
| Firm Phone Number                               |  | Firm Fax Number |     |
| Firm contact E-Mail address                     |  |                 |     |
| List state(s) where the firm is to be appointed |  |                 |     |

**B. Errors & Omissions – Complete all fields.**

|   |              |  |
|---|--------------|--|
| Is the above firm a <u>named insured</u> on an Errors & Omissions policy? |              | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Policy Number   |              |  |
| Amount of coverage  | Carrier Name |  |

**Important Note**

Firm appointments in Arkansas, Hawaii, Michigan and/or South Dakota, require the appointment of the firm's Principal or another designated Responsible Individual. Please also complete an "Individual CDS/ Appointment Application" (Ord. 112175) for that individual.

**C. Principal Information– Complete all fields.**

|                        |            |               |
|------------------------|------------|---------------|
| Last Name              | First Name | Middle Name   |
| Social Security Number |            | Date of Birth |

**D. Brokerage General Agency (BGA) Information – Complete all fields.**

|          |                     |
|----------|---------------------|
| BGA Name | BGA Contract Number |
|----------|---------------------|

**E. Producer Information – Complete all fields.**

|  |                        |
|--|------------------------|
| Name of producer selling on behalf of firm | Social Security Number |
|--|------------------------|

**\*\*\*\*\* Signature and date are required on Page 2 of this appointment application. \*\*\*\*\***

**F. Background Information Section – These questions are to be answered by the firm principal on behalf of the firm. All questions must be answered.**

**IF “YES” IS ANSWERED TO ANY OF THE QUESTIONS BELOW, A LETTER OF EXPLANATION MUST BE ATTACHED TO THIS APPOINTMENT APPLICATION.**

|    |  |  |
|----|--|--|
| 1. | Has the firm ever been subject to an insurance or investment related consumer initiated complaint or proceeding that alleged or found fraud, sales practice violation, forgery, theft, misappropriation or conversion? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. | Does the firm have any unsatisfied judgements or liens against it?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. | Has the firm ever filed for bankruptcy or been declared bankrupt?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. | Has the firm ever had an insurance license or appointment or a securities registration suspended or revoked or been disqualified or disciplined as a member of any profession?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. | Is the firm currently party to any litigation or the subject of any investigation?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |

**I hereby:**

- Release Prudential, its authorized agents and any person or entity which provides information pursuant to this authorization, from any and all liabilities, claims or lawsuits in regards to the information obtained from any and all sources.
- Certify that all of the information contained in this application is true and correct. I further understand that any falsification, misrepresentation or omission of information from this form may result in the withholding or withdrawal of any offer of appointment or the revocation of appointment by Prudential whenever discovered.
- Understand that I am obligated to report immediately any event that would change any of the information, in any manner, which I have provided in this application.
- Certify that neither the firm nor any of its employees or representatives engaging in the business of insurance, including myself, have ever been convicted of any crime that would disqualify any of us from association with Prudential under the Violent Crime Control Act and/or Employee Retirement Income Security Act."

**X**

Firm Principal Signature

Firm Principal (Please Print)

Date (MM/DD/YYYY)

Completed appointment application forms can be mailed, faxed or e-mailed to:  
 Prudential National Service Center  
 13001 County Road 10, Plymouth, MN 55442  
 Fax: (800) 875-5965  
 E-mail: [brokerage.appointment@prudential.com](mailto:brokerage.appointment@prudential.com)

\*\*\*\*\* Signature and date are required on Page 2 of this appointment application. \*\*\*\*\*



## BROKERAGE FIRM AGREEMENT (LIFE INSURANCE)

This Brokerage Firm Agreement (hereinafter "Agreement") is made by and between The Prudential Insurance Company of America, Pruco Life Insurance Company and Pruco Life Insurance Company of New Jersey, (hereinafter, the preceding three entities referred to collectively as the "Company"), and the firm whose name appears on page thirteen of this Agreement (hereinafter "Brokerage Firm").

*Whereas*, Company is an issuer of certain traditional life insurance policies that are not considered securities under the federal securities laws (hereinafter "Policies"), which are duly qualified under applicable insurance laws and are identified on the attached Schedule A; and

*Whereas*, Company and Brokerage Firm wish to enter into an agreement to have Brokerage Firm solicit applications for Policies.

*Now, therefore*, for good and valuable consideration, the sufficiency of which is acknowledged hereby, and intending to be legally bound, the parties agree as follows:

### I. Appointment/Authorization

Company hereby appoints Brokerage Firm during the term of this Agreement as a non-exclusive agent to solicit applications for Policies. Such Policies are identified as Eligible Products in a List of Eligible Products that is identified as Schedule A, attached hereto and made a part hereof. Company may update or amend Schedule A, which will be effective upon notice, as defined in Section XIX, (hereinafter, "Notice") to the Brokerage Firm that a new or amended Schedule A has been issued.

### II. Authority and Undertakings of the Brokerage Firm

#### A. Brokerage Firm is authorized hereby to:

1. solicit, procure and submit applications for Policies of the Company through Brokers (defined below), provided that both the Brokerage Firm and the applicable Broker are properly licensed and state appointed to do so, in accordance with applicable law and regulations and the Company's Licensing, Appointment and Registration policy, as amended from time to time. For purposes of this agreement, "Broker" is defined as an individual employed by, associated with (whether as a registered representative of the Brokerage Firm if the Brokerage Firm is a Broker Dealer or otherwise), or otherwise acting on behalf of Brokerage Firm and who is appointed as a non-exclusive agent of the Company.

#### B. Brokerage Firm agrees to the following undertakings in its capacity as a Brokerage Firm with regard to any of its Brokers for Policies:

1. Brokerage Firm has full responsibility for the training and supervision of all Brokers who are engaged, directly or indirectly, in the offer, sale and/or administration of Policies to ensure that they are in compliance with all applicable federal, state and local laws and regulations and all rules and procedures of the Company (which rules and procedures may be changed by the Company at its own discretion.) Brokerage Firm shall establish and implement procedures for the supervision of the sales practices of all of its Brokers.
2. Brokerage Firm shall be responsible for determining the suitability for recommendations and sales for Brokers of Policies.
3. Brokerage Firm shall be responsible for the delivery of all Policies, amendments thereto and all other documents to each Policy owner, and shall ensure that all other delivery requirements



have been satisfied, promptly and in accordance with the Company's delivery requirements; require return of unplaced Policies; review all applications before submitting them to the Company and will submit only those applications that have been properly completed and for which Brokerage Firm and Brokers have the licenses and appointments required by the Company.

4. Brokerage Firm is authorized to designate Brokers for appointment by Company to solicit applications for Policies. Brokerage Firm shall not propose a Broker for appointment unless he or she duly is licensed as an insurance agent in the state(s) in which it is proposed he or she shall solicit applications for Policies. Brokerage Firm shall assist the Company in the appointment of Brokers in conformance with applicable insurance laws and such rules and procedures as may be established by Company. Brokerage Firm shall conduct a thorough and diligent investigation of the trustworthiness, competence, character, reputation and criminal background of each Broker that satisfies the requirements for appointment of an agent in each state the individual is to be appointed, the Violent Crime Control and Law Enforcement Act of 1994 (18 U.S.C. Sect. 1033 and 1034) (hereinafter the "Crime Bill") prior to proposing them for appointment and any other applicable laws. Brokerage Firm shall recommend for appointment only those Brokers known to be of good character, trustworthy, financially responsible and competent to serve as an agent for Company, and who otherwise qualify for appointments under the applicable state insurance laws when proposed for appointment. Additionally, the Brokerage Firm shall notify the Company immediately if the Brokerage Firm has knowledge that any person who was recommended for appointment and who was appointed by the Company no longer meets the qualification requirements of applicable state insurance laws. The Company shall have sole discretion to appoint, refuse to appoint, discontinue, or terminate the appointment of any Broker. Upon the Company giving Notice to Brokerage Firm of its withdrawal of authority of a Broker to solicit applications, Brokerage Firm will immediately ensure that any such Brokers cease all such activities.
5. Brokerage Firm shall assist Policy owners in obtaining prompt service from the Company with respect to the administration of Policies and in maintaining their coverage.

### III. Limitations of Brokerage Firm's Authority

Brokerage Firm's authority is limited to what is authorized in Section II. This Section is intended to provide examples, not an entire listing, of actions that are outside the authority granted in Section II. Brokerage Firm agrees that its authority is limited to the solicitation and marketing of Policies in accordance with this Agreement. Brokerage Firm represents and agrees on behalf of itself and all of its Brokers that none of them will act in a manner not authorized by this Agreement and that any such unauthorized actions, including but not limited to, the following actions, would be considered a breach of this Agreement. The Brokerage Firm is not authorized to:

- A. make, alter, modify or discharge any Policy or other form; waive any provision or condition of a Policy; bind the Company; extend the time of paying any premium; accept or receive promissory notes for payment of premium.
- B. adjust or settle any claim, or commit the Company with respect to any claim, incur any expense or liability on account of the Company except as specifically directed or authorized in writing by the Company.



- C. expend, nor contract for the expenditure of the funds of Company, nor incur any liability on behalf of Company, without specific written authority to do so from the Company.
- D. make representations as an agent of the Company in any manner or for any purpose except as specifically authorized by this Agreement.
- E. provide or offer to provide any inducement not specified in the Policy or any rebate, either directly or indirectly, to any person or entity, as an inducement to purchase any Policy.
- F. obtain signed forms from applicants or Policy owners unless the forms are completed for submission to the Company. Brokers may not request that an applicant or Policy owner pre-sign any Policy form for use at a later date nor may the Brokerage Firm pre-sign any form for use at a later date.
- G. deliver or allow the delivery of a Policy unless the health of the proposed insured(s) is in accordance with the Company's requirements, if any, and, where required, the first premium is paid in full.
- H. make any misrepresentation or incomplete comparison for the purpose of inducing a potential or actual Policy owner to purchase, convert, lapse, surrender all or any portion of, forfeit, borrow from, or replace any Policy;
- I. induce or attempt to induce any Policy owner to replace or relinquish a Policy or to withdraw values from a Policy when doing so would be in violation of the Company's Replacement Policy or any state or federal law or regulation or not in the interest of the customer.
- J. accept any payments for Policies, unless the funds are made payable to the Company as provided in Section VII.
- K. engage in any insurance transaction that requires compensation disclosure, as determined by the applicable law, without making such required compensation disclosure.
- L. solicit, procure or submit applications for the SEC registered life insurance policies, annuity contracts and private placement variable contracts of the Company which are controlled by selling agreements between FINRA member broker dealers.
- M. demand or accept any remuneration other than what is provided by the Company for rendering any service specifically related to the normal maintenance and care of the Company's business. This provision does not prohibit the Brokerage Firm from accepting fees for any services provided by Brokerage Firm other than those authorized by this Agreement.

#### IV. Brokerage Firm Representations

Brokerage Firm represents and agrees on behalf of itself and all of its Brokers:

- A. that solicitation and all activities by Brokerage Firm shall be undertaken only in accordance with applicable laws and regulations. No Broker of Brokerage Firm shall solicit applications for Policies until the Broker and Brokerage Firm are duly licensed and appointed by Company in accordance with applicable laws and regulations and in accordance with the Company's Licensing, Appointment, and Registration Policy, in the appropriate states or other jurisdictions.
- B. that neither it nor its Brokers are authorized by Company to give any information or make any representation in connection with this Agreement or the offering of the Policies other than those contained in marketing material authorized in writing by Company.

- C. to abide by the Company's policies and procedures related to the solicitation and sale of Policies, which are identified on Schedule B attached hereto and made a part thereof.
- D. that, except as disclosed to the Company on Brokerage Firm's or Brokers' application for appointment or otherwise in writing, neither Brokerage Firm's insurance license nor the insurance license of any of its Brokers has ever been revoked, suspended, or rescinded in any state or jurisdiction; neither Brokerage Firm nor any of its Brokers has ever been fined by any insurance regulator in an amount of \$5,000 or more; and neither Brokerage Firm nor any of its Brokers are currently the subject of any disciplinary proceeding or investigation in any state or jurisdiction by any Department of Insurance, Attorney General's office or other government authority.
- E. that, except as disclosed to the Company on Brokerage Firm's or Brokers' applications for appointment or otherwise in writing, if Brokerage Firm or any of its Brokers are or have ever been a registered principal or representative of a member of FINRA, the said registration with FINRA is not now and never has been suspended, revoked or canceled; that neither Brokerage Firm nor any of its Brokers have ever been fined by FINRA or any other self-regulatory organization in the amount of \$5,000 or more; that neither Brokerage Firm nor any of its Brokers are currently the subject of any disciplinary proceeding or investigation by the SEC or FINRA; that neither Brokerage Firm nor any of its Brokers have ever been convicted of any criminal felony involving dishonesty or breach of trust or of any other offense set forth in the Crime Bill; that Brokerage Firm performs the due diligence required by law to ensure that Brokerage Firm, its employees or other representatives, including but not limited to any of its Brokers, engaging in the business of insurance, are, and for the term of this Agreement shall continue to be, in compliance with the requirements of the Crime Bill.
- F. that Brokerage Firm, upon request of Company, shall, within thirty (30) days of receipt, return to Company a questionnaire or certification regarding any regulatory, civil and/or criminal proceedings, including arbitration, against the Brokerage Firm or Broker commenced or concluded by any state insurance or securities department, FINRA, the SEC or other self-regulatory organization and/or in any court of competent jurisdiction. Brokerage Firm shall provide Company with a full explanation regarding matters disclosed in the questionnaire or certification. Additionally, Brokerage Firm shall notify Company of any regulatory investigation, fine or sanction concerning an individual or firm who is authorized to represent Company under this Agreement.
- G. that neither Brokerage Firm nor any of its Brokers will solicit applications for Policies in any state, jurisdiction or commonwealth unless the Policy has been approved for sale by the appropriate regulatory authority in that state, jurisdiction or commonwealth.
- H. that Brokerage Firm shall furnish the Company with proof of proper insurance licensing for itself and its Brokers. Brokerage Firm will also notify the Company in writing immediately of the termination of the employment or affiliation of a Broker who is appointed to represent the Company pursuant to this Agreement.
- I. that Brokerage Firm agrees to submit to the Company cases from Brokerage Firm which have been packaged for underwriting purposes. Such case packages should include the application, a copy of the as-sold illustration, all relevant financial information, and either copies of relevant attending physicians' statements and other required medical information or a listing of the medical underwriting requirements Brokerage Firm has ordered. Brokerage Firm further agrees to submit informal or inquiry case packages for underwriting purposes that include only the relevant



information needed to assess the risk; that in obtaining and assembling this information it is acting as the representative of the applicant, proposed insured and not as an agent of the Company.

- J. that Brokerage Firm agrees that all terms and conditions of this Agreement apply to Brokerage Firm and any Broker, and any employee of Brokerage Firm or other representative, including but not limited to all of its Brokers, employees or other representatives, who performs any other function on behalf of Brokerage Firm; Brokerage Firm further agrees to ensure that such Brokers, employees or other representatives comply with all terms and conditions of this Agreement. Furthermore, Brokerage Firm agrees to notify Company immediately if Brokerage Firm or any of its Brokers, employees or other representatives breach any terms and conditions of this Agreement.
- K. that no Policy shall be sold to or used in any manner with a viatical or life settlement company or be part of a viatical or life settlement.
- L. that submission of an application for a Policy is proof that the Brokerage Firm has approved the transaction.
- M. that Brokerage Firm shall pay all expenses incurred by it in the performance of this Agreement unless specifically provided for in this Agreement or in a writing signed by the Company and Brokerage Firm.
- N. that with regard to any bank marketing, Brokerage Firm will comply with the disclosure and advertising requirements implemented by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision and all other applicable laws and requirements, including but not limited to disclosures with respect to the sale or recommendation of Policies, marketing material and illustrations.
- O. to complete a permanent registration for the PrudentialXpress website at [www.pruexpress.com](http://www.pruexpress.com) (hereinafter the "Website") within 30 days of the effective date of this Agreement. Use of the Website will be subject to the terms and conditions of the Website.
- P. for the term of the Agreement, to access the Website no less frequently than once every 90 days and to read and review the "Notices & Schedules" page of the Licensing Section.
- Q. for the term of the Agreement, to maintain an active Website registration.

#### V. Independent Contractor

Brokerage Firm is an independent contractor under this Agreement. Nothing herein contained shall make Brokerage Firm, or any of its Brokers, employees or other representatives, an employee of Company. Neither Brokerage Firm nor any of its Brokers, employees or other representatives, shall hold themselves out to be employees of Company in any dealings with the public. Brokerage Firm and any of its Brokers are free to exercise independent judgment as to the time, place and means of performing the authority granted, subject to the terms and conditions of this Agreement. Brokerage Firm's business and any services provided by Brokerage Firm and any of its Brokers, other than those authorized by this Agreement, are not and will not be represented to be the business of the Company.

#### VI. Advertisements and Marketing Materials

The Brokerage Firm agrees that any material it develops, approves or uses for sales, training, explanatory or other purposes that mentions by name the Policies or Company (or any affiliate of the Company or any logos of any of them) will not be used without prior written consent of the Company. Brokerage Firm will not publish,



issue, circulate or use in any manner whatsoever any advertisements or marketing materials describing or referring to the Company, the Policies or any product of the Company unless such advertisements or marketing materials have been approved in writing in advance by the Company.

Brokerage Firm will not misrepresent the Policies or the Company and will make no oral or written representation which is inconsistent with the terms of the Policies or with the information in any illustration or sales literature furnished by the Company.

VII. Payments

- A. Neither Brokerage Firm nor any of its Brokers can accept cash or any other form of payment made payable to the Brokerage Firm or Broker.
- B. Brokerage Firm and its Brokers may accept a check or money order made payable to the Company, but only under the following circumstances:
  - 1. when the application and the check are submitted simultaneously and the Company's standards for prepaid applications have been met, or
  - 2. the Company's delivery requirements have been met and the Policy has been delivered.
- C. The check or money order must be forwarded to the Company within one business day of receipt by the Brokerage Firm or its Broker.

VIII. Compensation

- A. Company shall arrange for the payment of compensation to Brokerage Firm as compensation for the sale of Policies by a Broker of Brokerage Firm. The amount of compensation payable under this section (hereinafter "Compensation") shall be in accordance with the Company's Commission Schedule in effect as of the date of Policy issue, as determined by the Company, for each Policy. If the Company determines the Brokerage Firm is eligible for any expense allowances or a Compensation arrangement that differs from the commission schedules posted to the Website, such Compensation will be communicated to the Brokerage Firm in writing in a separate Schedule. No Compensation is payable unless the Brokerage Firm and Broker have first complied with all applicable insurance laws, rules and regulations and such payments would not constitute a violation of such insurance laws, rules and regulations, anything in this Agreement to the contrary notwithstanding. The Brokerage Firm will only be entitled to compensation for Policies that have been submitted by the Brokerage Firm, accepted by the Company, delivered to the Policy owner and where all the requirements of the Company's Licensing, Appointment and Registration Policy have been satisfied (hereinafter "Policies Placed by Brokerage Firm").
- B. If the Company returns, for any reason, any premiums or purchase payments on any Policy, the Brokerage Firm will have an immediate obligation to, and will upon demand, repay the Company all the Compensation previously paid to the Brokerage Firm as a result of those premiums or purchase payments.
- C. The Company shall have and be entitled to exercise a right of offset for any amounts due the Company from Brokerage Firm against any and all Compensation otherwise payable to Brokerage Firm under this Agreement.
- D. When the Brokerage Firm is involved in a sale with any other insurance producer appointed with the Company, Compensation will be payable in proportion as directed on the application or in a writing acceptable to the Company.



- E. No compensation will be paid on any premium that is waived.
- F. If a Policy replaces, in whole or in part, a life insurance policy or annuity contract previously issued by this Company, the Company has the right to determine what, if any, compensation will be allowed.
- G. No Compensation will be paid on any Policy issued as a result of the conversion of group life insurance.
- H. Compensation set forth in the Schedule C of this Agreement is subject to change at any time upon Notice to Brokerage Firm. Changes will not affect Compensation for any Policy placed prior to the effective date of the change.
- I. Service Compensation, if applicable as defined in Schedule C, shall be payable for the period and upon the terms set forth in Schedule C.
- J. No assignment of Compensation is valid against the Company unless directed by Brokerage Firm and agreed upon by Company and unless allowable under all applicable laws.
- K. No Compensation is payable on any extra war risk premium which may be charged in connection with any Policy.
- L. If a Policy is changed to a different kind or amount, or if its date is changed, the Company will recalculate Compensation as of the date of the change. Additional Compensation will be paid or recaptured as a result of this calculation.
- M. Compensation on premiums paid more than three months in advance are payable on the date the premiums are due.
- N. No compensation shall be paid, and any compensation previously paid shall be returned to the Company on request, if the Company, in its sole discretion, determines not to issue the Policy(s) applied for, refunds the premium paid pursuant to any request by the Policy owner, refunds any premium paid as the result of a complaint by the Policy owner, remits paid premiums to a federal or state court if the Company elects to do so with regard to litigation involving the Policy or determines that any person or entity required to be licensed for the solicitation of Policies is not duly licensed to sell such Policies in the appropriate jurisdictions.
- O. Upon the termination of this Agreement, the Company will pay Compensation to the Brokerage Firm on any renewal Compensation which would otherwise be due on business placed with Company prior to the termination date of this Agreement unless such receipt of renewal Compensation is determined to violate current directives to the contrary as provided by state or federal law or regulation or a court of competent jurisdiction.
- P. Compensation due is vested to the Brokerage Firm for the period set forth in the attached Schedule C and if such receipt of Compensation is permitted by applicable state and federal law.
- Q. Notwithstanding any provision of this Agreement to the contrary, if the transaction is subject to the jurisdiction of the New York Insurance Department, no Compensation in excess of the compensation limits established by the Insurance Law of the State of New York will be due or payable by the Company to Brokerage Firm.
- R. The Company will determine the amount of Compensation payable for a Policy placed by Brokerage Firm, where the compensation was not included in Schedule C at the time of sale.



IX. Books And Records

Brokerage Firm shall have the responsibility for maintaining its records and the records of all of its Brokers. Brokerage Firm shall maintain such other records as are required of it by applicable federal and state laws and regulations. These records will be made available to the Company for inspection upon request, including after termination of this Agreement. The books and records maintained by Brokerage Firm under the terms of this Agreement that relate to the sale of the Policies, shall be maintained so as to clearly and accurately disclose the nature and details of the transactions as required by appropriate laws, rules and regulations and for the period required by law. Brokerage Firm and all of its Brokers shall also comply with any record hold order issued by the Company.

X. Complaints And Investigations

- A. Brokerage Firm shall promptly provide Notice to Company of any written complaint or inquiry or notice of any investigation or proceeding (customer, regulatory, judicial or otherwise) received by Brokerage Firm (or any Broker) that relates to any Policy or any activities undertaken in connection with this Agreement.
- B. The parties jointly agree to cooperate fully with respect to any complaint, inquiry, investigation or proceeding (customer, regulatory, judicial or otherwise) arising in connection with this Agreement, including, but not limited to, any related customer complaint, securities or insurance regulatory investigation or proceeding or judicial proceeding.
- C. Brokerage Firm shall promptly provide Notice to Company describing the handling or determination in connection with any written complaint, inquiry or investigation proceeding described in paragraph A of this section.

XI. Term of Agreement; Suspension; Termination; Survival

- A. This Agreement shall be in force from its Effective Date and thereafter shall remain in force, except that either party may unilaterally terminate this Agreement immediately upon Notice to the other party of its intention to do so.
- B. This Agreement may be terminated for cause by the Company for, but not limited to, any of the following reasons:
  1. fraud by Brokerage Firm or Brokers;
  2. material misrepresentations by Brokerage Firm or Brokers regarding the Company or the Company's products, or the performance of either;
  3. conversion of funds by Brokerage Firm;
  4. breach of this Agreement;
  5. the suspension, revocation, cancellation or rescission of any state insurance license; or
  6. insolvency of Brokerage Firm.
- C. Termination for any of the reasons set forth in sub-sections B.1. through B.4. will occur immediately upon Notice to Brokerage Firm. Termination for the reasons set forth in sub-sections B.5. and B.6. will occur automatically at the date and hour of the action described in sub-sections B.5. and B.6.
- D. Either party shall have the right to suspend Brokerage Firm's right to solicit and sell Policies to potential Policy owners, by giving the other Notice of the suspension.

- E. Upon termination of this Agreement, all authorizations, rights and obligations shall cease except those contained in Sections VIII (Compensation), IX (Books and Records), X (Complaints and Investigations), XII (Indemnity), XIII (Errors and Omissions), XIV (Privacy) and XV (Anti-Money Laundering).

## XII. Indemnity

- A. Indemnification by Company – Company agrees to indemnify and hold harmless Brokerage Firm, its directors, trustees, and officers, (collectively, the “Indemnified Parties” for the purposes of this Section) against any and all losses, claims, damages, liabilities (including amounts paid in settlement) or litigation expenses (including legal and other expenses), to which the Indemnified Parties may become subject as a result of any untrue statement of any material fact contained in any sales materials furnished by the Company or approved in writing by the Company relating to the Policies, or as a result of the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading.
- B. Indemnification by the Brokerage Firm - Brokerage Firm shall indemnify, defend and hold harmless the Company and any director, officer, corporate agent, employee, attorney and any representative thereof, from and against all losses, expenses, claims, damages and liabilities (including any costs of investigation and legal expenses and any amounts paid in settlement of any action, suit or proceeding of any claim asserted) which result from, arise out of or are based upon:
1. any breach by Brokerage Firm, its Brokers, employees or other representatives of any provision or term or condition of this Agreement;
  2. any violation by Brokerage Firm or any of its Brokers, employees or other representatives of any federal, state, local or foreign law or regulation;
  3. any claim by a Broker against the Company for Compensation; or
  4. bad faith, negligence, misconduct, willful malfeasance or omissions of the Brokerage Firm or any of its Brokers, employees or other representatives in the solicitation of applications for, or sales of, Policies or any other unlawful sales practices or conduct.
- C. If a party is named in any lawsuit or other proceeding for which such party believes it may be entitled to indemnification hereunder, such party will:
1. Promptly notify the indemnifying party of any such proceeding, investigation, or litigation and furnish the indemnifying party with a copy of any notices, pleadings and other correspondence;
  2. Provide the indemnifying party reasonable opportunity to consult with the indemnified party in the development of strategy and the substantive position to be taken, and the determination of the course of action to be taken; and
  3. Consider in good faith any suggestion made by the indemnifying party and follow the recommendations of the indemnifying party, including its recommendations as to settlement, compromise or other agreed upon resolution of the proceeding, provided there is a reasonable basis for such recommendations and there is no material adverse effect on the indemnified party.
- D. The Indemnifying Party, upon the request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the



indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding.

XIII. Errors and Omissions

The Brokerage Firm agrees to maintain errors and omissions coverage with unimpaired limits of not less than one million dollars and to provide evidence of such coverage satisfactory to the Company upon request by the Company. The Brokerage Firm will notify Company in writing immediately if the coverage is terminated or suspended.

XIV. Privacy

Each party acknowledges that they may be provided with information or access information about customers of Company or Brokerage Firm ("Customer Information"). Each party agrees to comply with all federal, state, provincial and/or local law or regulation related to privacy. Furthermore, each party represents and warrants that it has implemented and currently maintains an effective information security program to protect the Customer Information, which program includes administrative, technical, and physical safeguards:

- A. to ensure the security and confidentiality of Customer Information;
- B. to protect against any anticipated threats or hazards to the security or integrity of such Customer Information; and
- C. to protect against unauthorized access to or use of Customer Information which could result in substantial harm or inconvenience to either party, or to customers of any of them.

If Brokerage Firm has a breach of security that requires notice to an individual under applicable state laws, Brokerage Firm will also provide Company with a copy of such notice at the same time it is sent to such individual in accordance with the Notice provision of this Agreement.

XV. Anti-Money Laundering

- A. Brokerage Firm represents and agrees that its employees and representatives have reviewed and are familiar with (i) applicable laws, regulations, rules and guidance governing the detection, prevention and reporting of money laundering and terrorist financing activities, including, but not limited to: (1) provisions of the USA PATRIOT Act of 2001 and regulations thereunder; (2) provisions of the Bank Secrecy Act and regulations thereunder; (3) relevant rules and regulations promulgated by the Office of Foreign Assets Control; and (4) all record keeping, reporting and auditing requirements of these laws, regulations and rules; and (ii) Company's Anti-Money Laundering Program.
- B. Brokerage Firm agrees that its employees and representatives who are appointed with Company will complete Company's Anti-Money Laundering training provided by LIMRA, or such training approved in advance by Company in writing, concerning the detection, prevention and reporting of money laundering and terrorist financing activities, when and as required by Company. Brokerage Firm agrees to provide Company with a certification, upon request, that it has completed such training and detailing the subject matter and dates of such training and the persons trained.
- C. Brokerage Firm agrees to report to Company any transaction, or pattern of transactions, that it knows, suspects, or has reason to suspect: (i) involves funds derived from illegal activity (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting

requirement under federal law or regulation or is intended or conducted to hide or disguise funds or assets derived from illegal activity; (ii) is designed, whether through structuring or other means, to evade the requirements of the Bank Secrecy Act or any regulations promulgated thereunder; (iii) has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage; or (iv) involves the use of Company to facilitate criminal activity. Brokerage Firm agrees to comply with any requests from Company for assistance in the detection or investigation of potential suspicious transactions in a timely manner. Brokerage Firm agrees and acknowledges that notice to any individual of any investigation or reporting involving a suspicious transaction or activity is prohibited by federal law and agrees to ensure the confidentiality of any such investigation or reporting.

- D. Brokerage Firm agrees to permit inspection relating to its compliance with the foregoing by any U.S. federal regulatory or law enforcement agency having jurisdiction and will make available to examiners from such agencies such records and information as they may request relating thereto.
- E. Company shall have the right, upon reasonable notice, to obtain and review documentation evidencing compliance with Company's Anti-Money Laundering Program and the foregoing laws, regulations and rules.

#### XVI. General Provisions

- A. Assignability – This Agreement shall not be assigned by either party without the prior written consent of the other.
- B. Non-Waiver - Any right(s) not enforced by the Company under this Agreement will not be construed as a waiver of any of the terms and conditions of this Agreement and the same will remain in full force and effect. A waiver of any provision in this Agreement will not be deemed to be a waiver of any other provision, whether or not similar, nor will any waiver of a provision in this Agreement be deemed to constitute a continuing waiver.
- C. Severability - Any term or provision of this Agreement which is invalid pursuant to the laws and regulations of that jurisdiction will, as for that jurisdiction, be ineffective. Such term or provision will not render the remaining terms and provisions of this Agreement invalid. In addition, such term or provision will not affect the validity of any of the terms or provisions of this Agreement in any other jurisdiction.
- D. Captions - The captions or headings of this Agreement are for convenience and ease of reference only. They will have no effect on the meaning or interpretation of any provision of this Agreement.
- E. Amendment - The Company reserves the right to amend this Agreement at any time. Submission of an application for a Policy after Notice of such amendment will constitute agreement of the Brokerage Firm to such amendment.
- F. Entire Agreement – Except for a long-term care broker, Brokerage General Agency and/or Broker-Dealer Agreement, this Agreement and its Schedules and Addendums constitute the entire agreement between the parties and supersedes all prior agreements and understandings, oral and written.

#### XVII. Effective Date

This Agreement is effective once fully executed by both the Company and the Brokerage Firm. The Effective Date shall be the date the Company executes the Agreement.



XVIII. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey (without regard to the conflicts of laws provisions) thereof and that in all cases where a party seeks relief in connection with this Agreement in a court of competent jurisdiction, the exclusive forum and venue shall be the state and federal courts having jurisdiction and venue in the State of New Jersey.

XIX. Notice

Notice to the Brokerage Firm under this Agreement will be provided by the Company and will be deemed given as follows:

- A. When posted to the "Notices & Schedules" page of the Company's Website;
- B. When sent electronically by e-mail to the Brokerage Firm's most recent e-mail address on file with the Company; or
- C. When provided in writing and sent by facsimile, prepaid overnight courier, or first-class mail to the Brokerage Firm's most recent address on file with the Company.

*(The remainder of this page is left blank intentionally.)*



All notices to the Company under this Agreement will be provided in writing by the Brokerage Firm and sent by facsimile, prepaid overnight courier, or first-class mail to:

The Prudential Insurance Company of America  
Licensing and Administration  
13001 County Road 10  
Plymouth, MN 55442

The Pruco Life Insurance Company  
Licensing and Administration  
13001 County Road 10  
Plymouth, MN 55442

The Pruco Life Insurance Company of New Jersey  
Licensing and Administration  
13001 County Road 10  
Plymouth, MN 55442

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the dates set forth below.

By signature below, Brokerage Firm agrees to be bound by this agreement form number BFA-C\_3-2009 and all of its terms and provisions.

Name of Brokerage Firm: \_\_\_\_\_

Principal: \_\_\_\_\_

Signature: \_\_\_\_\_

Tax ID #: \_\_\_\_\_

Brokerage Firm's e-mail address: \_\_\_\_\_

**Prudential Insurance Company of America**

**Pruco Life Insurance Company of New Jersey**

By: \_\_\_\_\_  
Vice President, Prudential Select Brokerage

By: \_\_\_\_\_  
Vice President, Prudential Select Brokerage

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Pruco Life Insurance Company**

By: \_\_\_\_\_  
Vice President, Prudential Select Brokerage

Date: \_\_\_\_\_

## SCHEDULE A

### Policies for Pruco Life Insurance Company

- PruLife® Universal Plus ("UL")
- PruLife® Universal Protector ("UL")
- Term Elite<sup>SM</sup>
- Term Essential<sup>SM</sup>
- PruLife® Return of Premium Term
- PruLife® SUL Protector

### Policies for Pruco Life Insurance Company of New Jersey

- PruLife Universal Protector ("UL")
- Term Elite<sup>SM</sup>
- Term Essential<sup>SM</sup>
- PruLife® Return of Premium Term
- PruLife® SUL Protector

### Policies for the Prudential Insurance Company of America

- PruLife® Universal Plus ("UL")

**Schedule B**  
**List of Policies and Procedures**

- Licensing, Appointment and Registration Policy
- Replacement Policies and Procedures
- Anti-Money Laundering Program