

# Electronic Customer Account Change Addendum to General Agent - Broker/Dealer Agreement

**Last Updated: 12/16/03**

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

This Addendum to the General Agent-Broker/Dealer Agreement is made effective as of the date indicated above, by and among \_\_\_\_\_ (“Insurance Company”) and \_\_\_\_\_ (“General Agent – Broker/Dealer”). Collectively the Insurance Company and General Agent -Broker/Dealer are referenced herein as the Parties.

WHEREAS, the Parties have entered into a General Agent-Broker/Dealer Agreement dated \_\_\_\_\_;

WHEREAS, the Parties desire to amend the General Agent-Broker/Dealer Agreement to provide for the submission of customer account changes through an electronic process; and

WHEREAS, the Parties named above have executed and filed the standard agreements required for participation with the National Securities Clearing Corporation (NSCC); or have contracted with a third party service bureau to provide services through the NSCC.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to participate in the Automated Customer Account Transfer Service (ACATS) and/or Insurance Processing Services (IPS) with the other under these agreements and in accordance with the following terms:

## **A. ELECTRONIC PROCESS FOR CUSTOMER ACCOUNT CHANGES**

1. General Agent-Broker/Dealer may submit customer account changes, including custodial account changes, to Insurance Company by electronic transmission (“Transmission”) in accordance with the ACAT/IPS procedures established by NSCC in the \_\_\_\_\_. Parties acknowledge that compliance with these Transmission procedures is a good order requirement. General Agent-Broker/Dealer warrants that the information contained in the Transmission is accurate and complete. The Parties acknowledge that Insurance Company will rely upon the information provided by General Agent-Broker/Dealer in making the requested changes.
2. General Agent-Broker/Dealer will obtain all appropriate client authorizations on the Transfer Initiation Form (TIF). Such client authorizations include, but are not limited to, those required from third Parties, such as custodians and trusts, among others. General Agent-Broker/Dealer will maintain such TIFs for a period of no less than six (6) years from the date of the transfer initiation.
3. Insurance Company will promptly notify the General Agent–Broker/Dealer of any errors in requests to transfer Customer Accounts. Notification will be made by Transmission.
4. Insurance Company will notify the General Agent-Broker/Dealer when good order requirements have been met. Notification will be made by Transmission.
5. Each party to this Agreement shall promptly furnish to the other Parties any reports and copies of forms which another party may request for the purpose of meeting its reporting and record keeping obligations under the insurance laws of any state, and under the federal and state securities laws or

the rules of the NASD or to facilitate the handling of customer complaints. General Agent-Broker/Dealer shall provide Insurance Company with a copy of the TIF. Such copy shall be provided to Insurance Company no later than two (2) business days from the request date.

**B. GENERAL**

1. General Agent-Broker/Dealer shall indemnify and hold harmless Insurance Company, its subsidiaries and affiliates and their respective officers, directors and employees against any and all losses, claims, damages, liabilities or expenses (including the reasonable costs of legal representation and investigation) to which Insurance Company may become subject which arise out of or are based on Insurance Company's reliance on incorrect information submitted to Insurance Company in the Transmission, or arising out of or based on a breach or violation of the representations, warranties or covenants contained herein.
2. Either party may terminate this addendum upon 30 calendar day's written notice. Such notice of termination shall apply only to this addendum without affecting any other terms of the General Agent - Broker/Dealer Agreement, as amended.

(GENERAL AGENT-BROKER/DEALER NAME)

(INSURANCE COMPANY NAME)

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_