

# ***PREFERRED FINANCIAL CORPORATION***

## **Producer Licensing Packet**

*Among The Preferred Companies:*  
Colorado Bankers Life Insurance

5990 Greenwood Plaza Boulevard  
Greenwood Village, Colorado 80111  
(303) 220-8500  
(800) 367-7814  
(303) 220-8056 Fax

# CONSUMER AUTHORIZATION

I. I understand that an investigative report may be generated on me that may include information as to my character, general reputation, personal characteristics, or mode of living; work habits, performance or experience, along with reasons for termination of past employment/professional license or credentials; financial/credit history; or criminal/civil/driving record history. I understand that General Information Services, Inc. (GIS), on behalf of Preferred Financial Corporation/Colorado Bankers Life Insurance Company may be requesting information from public and private sources about any of the information noted earlier in this paragraph in connection with Colorado Bankers Life Insurance Company's consideration of me for employment, promotion or position re-assignment or contract now, or at any time during my tenure with Colorado Bankers Life, and give my full consent for this information to be obtained.

II. IF APPLICABLE, medical and worker's compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws.

III. According to the **Fair Credit Reporting Act** (FCRA, Public Law 91-508, Title VI), I am entitled to know if the considerations for which I am applying are denied because of information obtained from a consumer reporting agency. If so, I will be notified and be given the name of the agency providing that report.

IV. I acknowledge that a telephonic facsimile (FAX) or photographic copy of this release shall be as valid as the original. This release is valid for most federal, state and county agencies.

V. I understand that if I am a resident of **Minnesota/Oklahoma (only)** I may obtain a copy of the report ordered, and now indicate my desire to do so by checking this box .

VI. I hereby authorize, without reservation, any financial institution, law enforcement agency, information service bureau, school, employer or insurance company contacted by GIS to furnish the information described in Section I.

VII. Upon proper identification, you have the right to make a request to GIS, within a reasonable period of time, as to the nature and substance of all information in its files on you at the time of your request, including the sources of information and the recipients of any reports on you that GIS has previously furnished. Communications with GIS should be directed to PO Box 353, Chapin SC 29036 or (866) 265-4917.

## CANDIDATE COMPLETE THE FOLLOWING:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Today's Date

\_\_\_\_\_  
Please print full name

The following information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. It is confidential and will not be used for any other purposes.

\_\_\_\_\_  
Month, Day and Year of Birth

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Home Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Driver's License Number and State

\_\_\_\_\_  
Name as it appears on License

Have you ever been convicted of a crime?  No  Yes If yes, please provide city and state of conviction and details of conviction.

## FAIR CREDIT REPORTING ACT NOTICE:

In accordance with the Fair Credit Reporting Act (FCRA, Public Law 91-508, Title VI), this information may only be used to verify a statement(s) made by an individual in connection with legitimate business needs. The depth of information available varies from state to state. Status of updates are available on request. Although every effort has been made to assure accuracy, General Information Services, Inc. cannot act as guarantor of information accuracy or completeness. Final verification of an individual's identity and proper use of report contents are the user's responsibility. General Information Services, Inc.'s policy requires purchasers of these reports to have signed a Service Agreement. This assures General Information Services, Inc. that users are familiar with and will abide by their obligations, as stated in the FCRA, to the individuals named in these reports. If information contained in this report is responsible for the suspension or termination of an employee or the application process, have the Candidate/employee contact General Information Services, Inc.

## NOTICE TO CALIFORNIA CANDIDATES

You have a right to obtain a copy of any consumer report or investigative consumer report obtained by Colorado Bankers Life by checking the box provided below. The report will be provided to you within three (3) business days after we receive the requested reports related to the matter investigated.

I request to receive a free copy of this report by checking this box.

Under section 1786.22 of the California Civil Code, you may view the file maintained on you by GIS during normal business hours. You may also obtain a copy of this file upon submitting proper identification and paying the costs of duplication services, by appearing at GIS in person or by mail. You may also receive a summary of the file by telephone. The agency is required to have personnel available to explain your file to you and the agency must explain to you any coded information appearing in your file. If you appear in person, a person of your choice may accompany you, provided that this person furnishes proper identification.

**IMPORTANT: Please attach a copy of your current license**

**1. Type of License** *(Complete appropriate section – A, B, or C – A and C must be completed for all corporate appointments)*

**A. INDIVIDUAL**

|   |                   |   |                    |
|---|-------------------|---|--------------------|
| LAST NAME   | SUFFIX (JR., SR.) | FIRST NAME                                    | MIDDLE NAME        |
| SOCIAL SECURITY NO.   | DATE OF BIRTH     | HOME PHONE NO.                                | BUSINESS PHONE NO. |
| COMPLETE RESIDENCE ADDRESS  |                   |   | PLACE OF BIRTH     |
| STREET CITY STATE ZIP   |                   |   |                    |
| COMPLETE BUSINESS ADDRESS (USE STREET ADDRESS, NOT POST OFFICE BOX)   |                   |   |                    |
| STREET CITY STATE ZIP   |                   |   |                    |
| ARE YOU A U.S. CITIZEN?<br><input type="checkbox"/> YES<br><input type="checkbox"/> NO IF "NO", GIVE REGISTRATION NO. _____ |                   | INSURANCE AWARDS AND TITLES (MDRT, CLU, etc.) |                    |

**B. PARTNERSHIP**

|   |                              |                    |
|---|------------------------------|--------------------|
| NAME OF PARTNERSHIP   | TAX I.D. NO.                 | BUSINESS PHONE NO. |
| COMPLETE BUSINESS ADDRESS (USE STREET ADDRESS, NOT POST OFFICE BOX) |                              |                    |
| NAME(S) OF PARTNER(S)   | HOME ADDRESS OF EACH PARTNER |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |

**C. CORPORATION**

|   |                              |                    |
|---|------------------------------|--------------------|
| NAME OF CORPORATION   | TAX I.D. NO.                 | BUSINESS PHONE NO. |
| COMPLETE BUSINESS ADDRESS (USE STREET ADDRESS, NOT POST OFFICE BOX) |                              |                    |
| NAMES OF OFFICERS AND SOCIAL SECURITY NO.                           | HOME ADDRESS OF EACH OFFICER |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |
| _____   | _____                        |                    |

**2. Confidential Data** *(Always Complete)*

- |  |   |
|--|---|
| 1. How long have you been an insurance agent or broker?  | 1. _____  |
| 2. Have you ever had your license suspended, revoked or voluntarily surrendered?   | 2. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Have you ever had a complaint filed against you with an Insurance Department?   | 3. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Have you ever been refused bond by a surety company?  | 4. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Has any surety company paid out funds on your coverage?   | 5. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. Have you been convicted within ten years preceding the filing of this application of any felony or misdemeanor?   | 6. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Are you presently involved in any litigation connected with the insurance business or are there any unsatisfied judgements outstanding against you arising out of the insurance business? | 7. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8. Have you ever been known personally by any other name, or have you ever conducted business or carried bank accounts in any other name than shown on page 2 of this application?           | 8. <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 9. Have you ever been short in accounts with any employer?   | 9. <input type="checkbox"/> Yes <input type="checkbox"/> No |

**If your answer is "yes" to any of the questions above, please write details on a separate sheet and attach to this application.**

**3. Past Production** *(Complete for past 5 years.)*

| YEAR | LIFE PREMIUM | ADVANCED (YES / NO) | PRIMARY CARRIER |
|------|--------------|---------------------|-----------------|
|      |              |                     |                 |
|      |              |                     |                 |
|      |              |                     |                 |
|      |              |                     |                 |

Do you currently receive advances or annualized commissions?  Yes  No

If YES, give name of carrier(s) \_\_\_\_\_

Do you currently have a debit balance with any carrier?  Yes  No

If YES, give name of carrier(s) \_\_\_\_\_

Approximate total debit balance(s) \_\_\_\_\_

Have you ever represented Preferred Financial Corporation/Colorado Bankers Life Insurance Company?  Yes  No

If YES, give name of General Agent \_\_\_\_\_

Date terminated \_\_\_\_\_ Reason terminated \_\_\_\_\_

**IF AVAILABLE, PLEASE ATTACH COPIES OF PERSISTENCY REPORTS FROM THE CARRIERS LISTED ABOVE.** We prefer reports showing both the 12th and 24th month percentages by policy count, as well as premium.

Please give a brief description of the type of markets you and/or your agents have been working in for the past five years.

|  |
|--|
|  |
|  |
|  |

**4. General Information**

1. Do you currently have Errors & Omissions (E&O) coverage?  Yes  No

(If yes, please attach current certificate of coverage.)

2. Fax No.: \_\_\_\_\_

3. E-mail Address: \_\_\_\_\_

4. Cell Phone No.: \_\_\_\_\_

**IMPORTANT: This form MUST be signed by the Agent and General Agent/IMO where indicated.**

**5. Agents Declaration and Authorization** *(Always Complete)*

(1) I hereby certify that my answers to the previous questions are true. I agree that as your representative, I shall be fully responsible for all monies collected by me, either in part or full payment of premiums, evidenced by my signature on receipts issued by me to applicants. My failure to do so will immediately terminate my association with you and upon demand by the Preferred Financial Corporation ("PFC") and/or Colorado Banker's Life Insurance Company ("CBL"), I shall return all unused applications, receipt and any and all material held by me.

(2) I authorize the individual(s) or companies shown in my application or PFC or CBL to give any information regarding my employment together with any information they have whether or not in their records, and release said individuals or PFC or CBL from all liabilities for any damage whatsoever for issuing this information.

(3) This application and the information in it is, to the best of my knowledge, an accurate statement of fact. I hereby authorize PFC or CBL to conduct an investigation concerning my character, general reputation and personal traits and release any person and companies so contacted from any liability with respect to the content of verbal or written information given to PFC or CBL. I further understand that if any material information given in this application is found to be incorrect or incomplete, it will be grounds for my termination at the sole discretion of PFC and/or CBL.

Signature of Applicant/Agent  X  Date \_\_\_\_\_

**REQUEST FOR AGENT'S LICENSE/APPOINTMENT and ACKNOWLEDGEMENT OF CONDITIONS**

TO: The Preferred Financial Corporation ("PFC") and/or Colorado Banker's Life Insurance Company ("CBL") (together referred to as "you", "your")

I request that PFC and/or CBL apply for the issuance of life and/or disability insurance agent's license/appointment authorizing me to solicit applications on behalf of you and of insurance carriers to be specified by PFC (herein called "Carrier(s)"). I hereby agree that such license/appointment (or licenses/appointments in any other states) is subject to, and I hereby agree to be bound by, each and all of the following conditions.

- (1) That I shall be an agent/producer assigned to the jurisdiction of the General Agent/IMO signing below; and
- (2) That neither PFC or CBL nor any Carriers have any obligation to me for commissions, expense allowances or any form of compensation whatsoever in connection with the services performed and expenses incurred by me in the solicitation of applications for insurance issued by CBL or a Carrier; it being expressly understood that I am under contract with my General Agent to whom I shall look for all compensation for my activities, and
- (3) That I am not, and I shall refrain from holding myself out as, your employee, partner, joint venture or associate; and
- (4) That I shall comply with PFC and CBL's rules, regulations, and directives, and the laws and regulations of all applicable Insurance Regulatory Authorities relating to my activities in the solicitation of insurance or otherwise providing services in my relationship with you; and
- (5) That I shall not alter, modify, waive or change any of the terms, rates or conditions in any of your or the Carrier's advertisements, receipts, policies or contracts in any respect; and
- (6) That I shall promptly remit to my General Agent or PFC or CBL any and all monies or securities received by me on behalf of PFC or CBL as full or partial payment of first or renewal premiums, or any other item whatsoever; and
- (7) That I shall not obligate PFC or CBL nor incur expense in PFC's or CBL's behalf in any manner whatsoever; and
- (8) That neither I nor any of my employees or subcontractors (referred to separately and/or jointly as "we", "us", "our") have been: (i) charged with a criminal offense in connection with obtaining, attempting to obtain, or performing of a public (Federal, state or local) contract or subcontract, (ii) listed by a federal governmental agency as debarred, (iii) proposed for debarment or suspension or otherwise excluded from federal program participation, (iv) been convicted of or had a civil judgment rendered against them regarding dishonesty or breach of trust, including but not limited to, the commission of a fraud including mail fraud or false representations, violation of a fiduciary relationship, violation of Federal or state antitrust statutes, securities offenses, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; or (v) within a three (3) year period preceding the date of this Agreement, had one or more public transactions (Federal, state or local) terminated for cause or default. I acknowledge and agree that I have a continuing obligation to notify you that in writing within seven (7) business days if any of the above-referenced representations change. I further acknowledge and agree that any misrepresentation of my or my employee's or subcontractor's status or any change in my or my employee's or subcontractor's status at any time during the term of this Agreement may be grounds for immediate termination of this Agreement, at your sole discretion.
- (9) That PFC or CBL may, without liability to me whatsoever, upon request of my General Agent or upon its own initiative, cancel my license at any time.

IN WITNESS WHEREOF, I have affixed my signature this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ .

X   
Signature of Applicant/Agent

The foregoing application is hereby recommended for appointment as an agent assigned to my jurisdiction, subject to the terms of my General Agent's contract with the Company and this request.

X   
Signature of General Agent/IMO

**INDICATE ITEMS ATTACHED**

- Copy of License(s)
- Non-resident Appt. Fee (if any)
- Completed Code of Ethics
- Supporting Documentation

**Return to General Agent  
for Signature**

# CODE OF ETHICS

of

Colorado Bankers Life Insurance Company (“CBL”) and Preferred Financial Corporation (“PFC”)

Please review the following statements and indicate your response in the appropriate box.

- |     | YES                      | NO                       |  |
|-----|--------------------------|--------------------------|--|
| 1.  | <input type="checkbox"/> | <input type="checkbox"/> | I will fully comply with all laws and regulations of PFC or CBL regarding the solicitation and sale of any PFC or CBL Product or service.  |
| 2.  | <input type="checkbox"/> | <input type="checkbox"/> | I will make every effort to ascertain and understand the needs and financial circumstances of my clients, and I will only take applications for PFC or CBL products from applicants after I have determined the product applied for is suitable for, and satisfies the needs of, the applicants; and I will make every effort to render the same quality of service to my clients which in the same circumstances, I would expect myself.  |
| 3.  | <input type="checkbox"/> | <input type="checkbox"/> | I will not negotiate or deposit any funds payable to PFC or CBL or any payee other than myself or my immediate family.   |
| 4.  | <input type="checkbox"/> | <input type="checkbox"/> | I will not place PFC or CBL under any legal obligation that is not within the scope of my authority.   |
| 5.  | <input type="checkbox"/> | <input type="checkbox"/> | I will not accept risks of any kind, make, modify or discharge contracts, extend the time for paying the premium, waive forfeitures or any of PFC's or CBL's rights or requirements, bind PFC or CBL by any statement, promise or representation; agree with any applicant to any extra premium for extra risks, or collect any monies other than as permitted of you.   |
| 6.  | <input type="checkbox"/> | <input type="checkbox"/> | I will continue to use only sales material approved by PFC or CBL in writing and will include all appropriate disclaimers; and I will obtain prior written approval from PFC or CBL before using, disseminating or publishing any advertising or publicity releases, presentation, public posting or other communications, including, without limitation, television, radio, print, media, internet, computer or electronic demonstrations or illustrations, referencing, describing, or involving either PFC or CBL or their officers', affiliates', parent's name or products or services.               |
| 7.  | <input type="checkbox"/> | <input type="checkbox"/> | I will ensure that all signatures on applications or other documents submitted by me are authentic.  |
| 8.  | <input type="checkbox"/> | <input type="checkbox"/> | I will either be responsible for the personal delivery of all policies and contracts to the respective owner in an expedient manner or I will instruct in writing upon submission of new business that Colorado Bankers Life mail these items directly to the owner.   |
| 9.  | <input type="checkbox"/> | <input type="checkbox"/> | I will not be the assignee, owner or beneficiary of any policy issued by PFC or CBL, other than a policy on me or on a member of my family. An exception may be authorized, in writing by a Senior Officer of PFC or CBL, only where I have a sufficient investment in a business enterprise to justify key person insurance in an amount reasonably related to the investment. Unless and until the exception is granted, no such coverage may be placed in force and no cash may be collected with respect to such an application for a new policy and no change may be effected for an in-force policy. |
| 10. | <input type="checkbox"/> | <input type="checkbox"/> | I will not pay commissions to or contract with any sub agents or entities for the solicitation of insurance that are not duly licensed and appointed with PFC or CBL, as required by law.  |
| 11. | <input type="checkbox"/> | <input type="checkbox"/> | I will not be involved in any way in the speculation for profit concerning the early death or disability of the insureds of PFC or CBL.  |
| 12. | <input type="checkbox"/> | <input type="checkbox"/> | I will not represent PFC or CBL in any manner whatsoever before any State Insurance Department or official thereof, or any Governmental Agency without the prior knowledge and approval of PFC or CBL.   |
| 13. | <input type="checkbox"/> | <input type="checkbox"/> | I will not affix unapproved stamps or labels on policies, policy envelopes or literature of PFC or CBL in such a way as to obscure, obliterate or modify in any way the printed matter thereon.  |
| 14. | <input type="checkbox"/> | <input type="checkbox"/> | I will not charge for enrollment or consulting services which are undertaken or rendered to any applicant, policy owner, or beneficiary or assignee such as explaining the terms of a policy, collecting the policy proceeds, making or submitting proofs or settlement of any claim, or any other similar service, unless first approved by PFC or CBL in writing.  |

Explanation of “NO” answers

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I have carefully read the above statements and represent that my responses are correct and true to the best of my knowledge and belief. In addition, I have reviewed the Prohibited Acts on the reverse side and I state and agree that I am and will remain in full compliance with those.

X

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|      |              |                 |
|------|--------------|-----------------|
| DATE | (print name) | AGENT SIGNATURE |
|------|--------------|-----------------|

X

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|      |              |                             |
|------|--------------|-----------------------------|
| DATE | (print name) | GENERAL AGENT/IMO SIGNATURE |
|------|--------------|-----------------------------|

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# PROHIBITED ACTS

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No agent or producer of Preferred Financial Corporation (“PFC”) and/or Colorado Banker’s Life Insurance Company (“CBL”) (together referred to as “PFC-CBL”) is authorized, directly or indirectly:

- To endorse, deposit, cash or otherwise negotiate any check drawn to PFC’s or CBL’s order, or to open any bank account in PFC’s or CBL’s name, or to sign PFC’s or CBL’s name in any circumstance, or to have any checks or promissory notes printed with “Colorado Bankers Life Insurance Company” or “Preferred Financial Corporation” thereon.
- To endorse, deposit, cash or otherwise negotiate any check drawn by PFC or CBL to the order of a payee other than the agent or a member of the agent’s family.
- To place PFC or CBL under legal obligation which is not within the authority granted to me by PFC or CBL in writing.
- To accept risk of any kind, to make, modify or discharge contracts, to extend the time for paying the premium, to waive forfeitures or any of PFC’s or CBL’s rights or requirements, to bind PFC or CBL by any statement, promise or representation; to agree with any applicant to any extra premium for extra risks, or to collect any monies other than as provided in the agent’s contract.
- To advertise or publicize PFC’s or CBL’s name product or service in any advertising or public medium, including the newspapers, magazines, television or radio broadcasts, web postings, emailings, or other means, unless the content of that publication has first been submitted to, and approved and authorized by PFC and/or CBL in writing.
- To sign as a witness to any person’s signature on any application or other paper relating to PFC’s or CBL’s business (such as health certificates, amendments, questionnaires, etc.) unless that signature is written in the agent’s presence.
- To sign the name of another person, such as an applicant, insured, policy owner, beneficiary, assignee or otherwise, whether or not such person consents thereto.
- To retain a policy, other than a policy on the agent or a member of the agent’s family, for a period longer than is necessary for purposes of delivery, analysis, record organization and review for servicing.
- To be the assignee, owner or beneficiary of any policy issued by PFC or CBL other than a policy on the agent or on a member of the agent’s family. An exception may be authorized, in writing by a Senior Officer of PFC or CBL, only where an agent has a sufficient investment in a business enterprise to justify key person insurance in an amount reasonably related to the investment. Unless and until the exception is granted, no such coverage may be placed in force and no cash may be collected with respect to such an application for a new policy and no change may be effected for an in-force policy.

# Let the Ease and Convenience of Direct Deposit Work for You



Now you can have your commission and advance checks directly deposited into your bank account. All agents are encouraged to sign-up today for this valuable service.



## Advantages of Direct Deposit

- **Convenient** – Eliminates trips to your financial institution, plus you avoid teller lines and traffic
- **Fast** - Availability of funds, no matter where you are
- **Reliable** - No mailing delays, your money will always be in your account on time
- **Safe** - No more worrying about lost, stolen, damaged or misplaced checks
- **Confidential** – Direct deposit protects your financial privacy
- **Economical** - No express or priority mail charges

## How do I sign up for direct deposit?

Sign and complete the authorization form on the reverse side of this flyer and return it along with a copy of a voided check via mail or for quicker processing send via fax. Electronic Fund Transfers will begin 5 business days after we receive your properly completed authorization form.

**Mail:** Preferred Financial Corporation  
Attn: Commissions  
5990 Greenwood Plaza Boulevard  
Suite 325  
Greenwood Village, CO 80111

**Fax:** (303) 220-8056

**Email:** dbatts@cblnet.com

## How can I be sure my deposit was made?

Your commission and advance statements will be posted on the Colorado Bankers Life Web site, [www.cbl-life.com](http://www.cbl-life.com). You will also be notified via email when PFC has deposited commissions or advances from your CBL production. In addition, the deposit will be reflected on the monthly statements you receive from your financial institution.

## Who should I contact if I have questions?

If you have any questions or need more information on this valuable service, please contact our Commissions Department at (800) 367-7814.



***Sign up today for a quick, convenient way to access your money.***



**PREFERRED FINANCIAL CORPORATION**

**Agent Authorization Agreement for Automatic Deposits (EFT Credits)**

Producer Name : \_\_\_\_\_

\*\*Producer FEIN/SSN: \_\_\_\_\_

\*Producer E-mail Address: \_\_\_\_\_

\*(For notification of funds availability)

\*\* Commission earnings will be reported to the IRS under the FEIN (or SSN) of the license holder (as allowed under State licensing regulations).

Producer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

I (we) hereby authorize **Preferred Financial Corporation**, through **JPMorgan Chase Bank, N.A. (CO)**, to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries made in error to my (our) \_\_\_\_\_Checking or \_\_\_\_\_ Savings (check one) account indicated below. I (we) also authorize my (our) depository named below, to debit and/or credit the same to such account.

Name(s) on Account: \_\_\_\_\_  
(Please Print)

Signing Authority: \_\_\_\_\_  
(Please Print)

Bank/Credit Union Information: **(Please attach a voided check or savings account slip)**

Bank Name: \_\_\_\_\_

Transit/ABA Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Please allow 15 days for processing of any change to banking account information. All requests for changes must be submitted in writing and signed by the licensed agent.

Authorized Account Signature: \_\_\_\_\_

*Home Office Use Only*

*Account #:* \_\_\_\_\_ *Agency:* \_\_\_\_\_