

Agent Appointment Due Diligence



Home Office: 1020 31st Street • Downers Grove, Illinois 60515-5591 • (800) 633-3696 • www.fdl-life.com
Administrative Offices: Cleveland, Ohio • Dallas, Texas

Effective August 10, 2009:

Fort Dearborn Life Insurance Company, Fort Dearborn Life Insurance Company of New York and Colorado Bankers Life Insurance Company have implemented the following agent appointment due diligence rules to comply with individual state department of insurance guidelines:

1. A debit balance check will be conducted on all agent/agency applicants in all jurisdictions.
2. A credit check will be conducted on all agents and agencies requesting an appointment in the following states: AL, FL, MS, NY, ND, OK, SC, WV, WY.
3. A criminal background investigation and credit check will be conducted on all agents and agencies requesting an appointment in the following states: AR, CA, GA, KY, NC, OH, PA, WI.

The following rules will apply based on results of credit checks and background investigations:

1. Any proposed agent/agency with a debit balance at another carrier as identified by Vector One will not be granted a contract or an appointment.
2. Any proposed agent/agency with tax liens, past due collection items and/or judgments of over \$10,000 that are unsettled and within seven years will not be granted an appointment.
3. Any proposed agent with a felony conviction will not be granted an appointment.

A log of declined applicants will continue to be maintained and shared with our Legal and Sales Tracking Teams. For those declined, notification will be sent initially to the appropriate internal sales manager by e-mail before we send a letter declining the application for contracting and appointment. The sales manager will have the opportunity to discuss the results before the decline letter is sent.

Three states now require appointment before solicitation:

We currently recognize the states of PA as a restricted state, meaning the agent must hold the proper license authority and be appointed by the carrier in the state prior to solicitation of business. As of August 10, 2009, we will recognize two additional states as following these strict solicitation guidelines. **The three states that now require the agent to be appointed prior to solicitation are: NC, NM and PA.** The rule should apply to the application date of August 15, 2009. Therefore, the agent must be licensed and appointed prior to that date.

If you have any further questions, please contact our Agent Appointment/Commissions Department at (800) 352-3935.