



FARMERS®

Agent Appointment Agreement

This Agreement is between _____
(hereinafter called the “Agent” or “Agency”) and Farmers Insurance Exchange, Truck Insurance Exchange,
Fire Insurance Exchange, Mid-Century Insurance Company, Farmers New World Life Insurance Company,
and _____

_____ ,
all hereinafter collectively called the “Companies.” Agent accepts appointment by the Companies as an agent
of and for the Companies in District No. _____ (hereafter “District”), or any other district reassigned to
in the State of _____ , effective _____ and
continuing until terminated by either party as provided herein, under the following mutually agreed upon
terms and conditions:

A. Companies' Duties. The Companies agree in consideration of Agent's agreements:

1. To pay new business and service commissions or any other commission to Agent in accordance with commission schedules and rules as established by the Companies and in effect on the effective date of a commission transaction.
2. If available from a third party provider, to arrange for Group Life and Comprehensive Medical Insurance plans and pay a portion of the premium if Agent elects to apply for coverage under these plans. The balance of the premium will be paid by Agent if covered under these plans.
3. To provide approved Company manuals, forms and policyholder records necessary to carry out the provisions of this Agent Appointment Agreement. (The use of the term "Agreement" or the phrase “Agent Appointment Agreement” herein refers specifically to the form of this Agent Appointment Agreement and no other agreement the Companies may use, either jointly or severally with any other agents or individuals.)
4. To provide advertising assistance (Ad-Aid) as provided by the Ad-Aid programs established by the Companies from time to time and in their sole discretion.
5. To make available to Agent education and sales training programs developed by the Companies.

B. Agent's Duties. Agent agrees in consideration of the Companies' agreements:

1. To sell insurance exclusively for the Companies and to not directly or indirectly solicit or service insurance for any insurance company other than the Companies, or for any agent or broker, other than an Assigned Risk Plan, Fair Plan or similar state-mandated placement facility, or except as expressly authorized by the Companies.
2. To provide the facilities necessary to furnish insurance services to all policyholders of the Companies including, but not limited to, collecting and promptly remitting monies due the Companies, receiving and adjusting claims within Agent's authority, notifying the Companies of all claims beyond that authority, and servicing all policyholders of the Companies in such a manner as to advance the interests of the policyholders, potential policyholders, Agent, other agents of the Companies and the Companies. The location of Agent's office cannot unduly interfere with the business established by another Agent, as determined by the Companies in their sole discretion.
3. To permit authorized representatives of the Companies to review and examine all Agency records for the purpose of verifying compliance with this Agreement and to fully cooperate in such efforts and to ensure that all records relating to the Agency under this Agreement are kept separate and apart from other records Agent may retain in Agent's office.

4. To provide a fidelity bond in favor of the Companies. The Agent may either participate in the blanket fidelity bond arranged by the Companies by paying the applicable premium, or the Agent may obtain a separate fidelity bond, at the Agent's expense, as long as the value of the bond is within the parameters deemed acceptable by the Companies at their sole discretion.
5. To meet at all times performance standards, including, without limitation, any specific performance standards the Companies may require of Agent in their sole discretion.
6. To conduct business in accordance with the policies of the Companies in effect at the time of the appointment and modified from time to time by the Companies, including, without limitation, using the Companies' trade names, trademarks, service marks and other brand names associated with the Companies only as expressly authorized and pre-approved by the Companies in their sole discretion.

C. Termination of this Agreement.

1. This Agreement automatically terminates upon the death of Agent and may be terminated without cause prior thereto by either Agent or the Companies upon three (3) months written notice.
2. If the provisions of this Agreement are breached by either Agent or the Companies, the Agreement may be terminated by the other party on thirty (30) days written notice.
3. This Agreement may be terminated immediately by mutual consent or solely by the Companies for the following:
 - a. Embezzlement, conversion, misappropriation or theft by the Agency, or disappearance unexplained to the Companies' satisfaction of any property, including, without limitation, monies belonging to the Companies or consumer.
 - b. Causing, either directly or indirectly, the switching of insurance from the Companies to another carrier;
 - c. Abandonment of the Agency;
 - d. Willful misrepresentation by the Agency that is material to the operation of the Agency;
 - e. Conviction of a felony; or
 - f. Conduct that is disparaging of or detrimental to the Companies, including, without limitation, conduct determined by the Companies to constitute a conflict of interest.

D. Termination Review Board. In the event this Agreement is terminated by the Companies only pursuant to paragraphs C(2) or C(3), Agent may, but only within ten (10) days of receiving the notice of termination, request a review by a Termination Review Board, which will be held in accordance with the Companies' procedures in place at the time Agent requests the Termination Review Board review. Unless the Companies determine to change or rescind the termination date following a Termination Review Board review, the effective termination date stated by the Companies in the written termination notice to Agent will remain the effective termination date for all purposes.

E. Post-Termination Commissions. Upon and after the effective termination date, Agent will not be entitled to any commissions, except that Agent will be entitled to first year commissions which become payable over the next twelve months following termination, less chargebacks, for Farmers New World Life business written prior to termination; payment of such commissions will occur after the completion of the twelve months. Agent will also be entitled to new business commissions less new business chargebacks for business written prior to the termination date in the Companies other than Farmers New World Life. No service commissions will be payable to Agent after termination of this Agreement.

F. Sale of Agency. Agent or Agent's heirs may sell all or any part of Agency to a member(s) of Agent's immediate family at any time, provided the purchaser is acceptable to the Companies, and provided the sale price does not exceed the proportionate share of the "Contract Value" (as hereinafter defined) of the Agency.

G. Contract Value. “Contract Value” is a payment made to an agent whose Agent Appointment Agreement with the Companies is being terminated in accordance with paragraphs C(1) or C(2). It is intended as consideration for the post-termination agreements described below in paragraph I. Should this Agreement be terminated pursuant to paragraph C(3) or the Agency sold pursuant to paragraph F, no Contract Value payment will be made.

1. Calculating Contract Value.

Contract Value is based upon the following three factors: (1) the amount of service commissions paid to the Agent on Active policies, as defined by the Companies, during either the six month or twelve month period immediately preceding termination; (2) the number of policies in Agent's Active code number, as defined by the Companies, as of the date of termination; and (3) the number of years of continuous service as an agent for the Companies under the Agent Appointment Agreement immediately prior to termination. In the event Agent has less than fifty policies in an Active code number, Contract Value is \$0. Otherwise, Contract Value is computed for each of the Companies in accordance with the following schedules on either a six or twelve month basis, whichever is higher:

Years of Service Six Month Commissions				
Number of Active Policies	First 5 Yrs.	Next 5 Yrs.	Next 5 Yrs.	Over 15 Yrs.
	%	%	%	%
50 - 750	50	100	150	200
751 - 1500	100	150	200	
1501 - 2000	150	200		
Over 2000	200			

Years of Service Twelve Month Commissions				
Number of Active Policies	First 5 Yrs.	Next 5 Yrs.	Next 5 Yrs.	Over 15 Yrs.
	%	%	%	%
50 - 750	25	50	75	100
751 - 1500	50	75	100	
1501 - 2000	75	100		
Over 2000	100			

2. Paying Contract Value.

Contract Value is paid in not less than three equal installments and at not less than six month intervals, the first payment to be made upon termination. Agent may elect to receive Contract Value in three or more equal annual installments, the first installment to be paid upon termination. If Agent elects annual installments, the Companies will pay simple interest on any unpaid balance of Contract Value at a rate equal to the rate paid by Farmers New World Life Insurance Company on its premium deposit fund at the time any installment becomes due. However, if Agent dies or becomes totally disabled before this Agreement is terminated, or Contract Value is \$10,000 or less, Agent or Agent's estate, as applicable, may elect to receive Contract Value in one lump sum.

H. Agent Bonuses. One or more of the Companies, from time to time and in their sole discretion, may make available to Agent various bonus programs. All bonus programs are subject to termination or modification by the Companies at any time. While the Companies attempt to provide a summary of the terms and conditions of existing bonus programs on an annual basis, such terms and conditions are subject to change at any time and revisions may be communicated in bulletins or other publications.

In the event that a bonus program awards Agent additional percentages of Contract Value, such payments will be made in accordance with paragraph G and in the same manner as Agent elects to receive Contract Value payments. Should the Agency be sold pursuant to paragraph F, any such bonus will be paid to selling Agent in one lump sum. Should this Agreement be terminated pursuant to paragraph C(3), no Contract Value is paid and, accordingly, no payment is made for any additional Contract Value percentages awarded as part of any bonus program.

I. Post-Termination Obligations. Upon payment or tender of payment of Contract Value in accordance with paragraph G (or an installment of Contract Value, if applicable), Agent agrees:

1. To accept the tender of Contract Value (or installment, if applicable);
2. That except for the rights afforded to the Agent under paragraph D and any remaining Contract Value payments or post-termination commissions owed under paragraph E, Agent has no further interest in this Agreement, is entitled to no further commissions hereunder and is no longer an Agent of the Companies as of the effective date of termination identified by the Companies;
3. At the request of the Companies, to execute an assignment of any and all interests obtained incidental to the Agency, including, without limitation, any interest in the telephone numbers used in connection with the Agency and/or any leased or rented office location at which the Agency operated; and
4. For a period of one year following the date of payment or tender of payment of Contract Value (or the first installment of Contract Value, if applicable), to neither directly nor indirectly solicit, accept, or service the insurance business of any policyholder of record in the Agency as of the date of payment or tender of payment or at any time otherwise use confidential information and/or trade secrets following the effective termination date of this Agreement or for any purpose not related to Agent's duties under this Agreement.

In the event no Contract Value is to be paid to Agent for whatever reason, including offsets exceeding Contract Value amount or termination of the agreement pursuant to paragraph C(3), the post-termination obligations set forth in I(2), I(3) and I(4) above begin to run as of the effective date of termination identified by the Companies.

J. Return of Confidential Information. Agent acknowledges that all manuals, lists and records of any kind (including information pertaining to policyholders and expirations and the expirations themselves), herein collectively referred to as "records," contain trade secret and confidential information of the Companies. Such records and other information the Companies may designate as trade secrets or confidential are the property of the Companies. Agent agrees such records will not be used or divulged, directly or indirectly, in any way detrimental to the Companies and will be returned immediately, along with any copies, to the Companies upon termination of this Agreement. Agent agrees not to retain the information described in this paragraph, in any form, following termination of this Agreement.

K. Independent Contractor. Nothing contained herein is intended or may be construed to create the relationship of employer and employee between the Companies and Agent or between the Companies and anyone working in the Agency. Agent is an independent contractor for all purposes. Among other factors, the time to be expended by the Agent and the individuals chosen by Agent to work in the Agency, including, without limitation, such time and work to accomplish any performance standards referred to in Section B. above, are solely within Agent's discretion and control, and the persons to be solicited and the area wherein solicitation is conducted are at the election of the Agent.

The Agent shall, as an independent contractor, exercise sole right to determine the time, place and manner in which the performance and other objectives of the Companies are carried out, provided only that the Agent conform to normal good business practice, and to all State and Federal laws governing the conduct of the Companies and their Agents.

L. Integration Clause. This is a fully integrated Agreement. No change, alteration or modification of this Agreement can be made unless it is in writing and signed by Agent and an authorized representative of the Companies. If any portion of this Agreement should be found to be wholly or partially unenforceable, this will not affect the validity or enforceability of the remainder or balance of the terms set forth in this Agreement.

I, the undersigned Agent, acknowledge that this Agreement was delivered to me on _____.
I have read it and wish to do business with the Farmers Companies on the terms set forth herein.

For the Companies listed at the beginning of this Agent Appointment Agreement.

By: _____
Signature of Authorized Representative Title

Printed or Typed Name of Authorized Representative Date (mm/dd/yyyy)

Agent: _____
Signature of Agent Date (mm/dd/yyyy)

Printed or Typed Name of Agent



FARMERS

Addendum to Farmers Insurance Group of Companies Agent Appointment Agreement

This Addendum is between _____ (hereinafter called the "Agent") and Farmers Insurance Exchange, Truck Insurance Exchange, Fire Insurance Exchange, Mid-Century Insurance Company, Farmers New World Life Insurance Company, and _____

_____, all hereinafter collectively called the "Companies") and modifies the Agent Appointment Agreement ("Agreement"), and becomes a part of the Agreement between Agent and the Companies, by adding as an additional ground for immediate termination of the Agreement, a new sub-paragraph g. to paragraph C.3, to read as follows:

"g. Termination of Agent's Horizontal Marketing Agreement."

I, the undersigned Agent, acknowledge that this Addendum to the Agent Appointment Agreement, along with the Agent Appointment Agreement, was delivered to me on _____ and by signing below, accept appointment by the Companies as an agent under the terms of this Addendum and the Agent Appointment Agreement.

For the Companies listed at the beginning of this Addendum.

By: _____
Signature of Authorized Representative

Title

Printed or Typed Name of Authorized Representative

Date (mm/dd/yyyy)

Agent: _____
Signature of Agent

Date (mm/dd/yyyy)

Printed or Typed Name of Agent



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Career Agent Program Subsidy Addendum

This Addendum to the Agent Appointment Agreement ("Addendum") is between Farmers Insurance Exchange, Mid-Century Insurance Company, Truck Insurance Exchange, Fire Insurance Exchange, Farmers New World Life Insurance Company, and _____

all referred to collectively, but not jointly and severally, as the "Companies" and _____ ("Agent").

This Addendum is effective on _____, and the Agent Appointment Agreement ("Appointment") is modified as follows. Except as modified in this Addendum, all of the provisions of the Appointment are and remain in full force and effect.

1. Subsidy Level.

For appointment of Agent to the Career Agent Program and to assist Agent to develop as a full-time agent, the Companies will provide Agent Subsidy Loan advances that Agent qualifies for under the Schedules attached to this Addendum for the time periods that follow:

Subsidy Level Schedule I - Months 1 through 6 after the effective date.

Subsidy Level Schedule II - Months 7 through 24 after the effective date.

Subsidy Level Schedule III -Months 13 through 24 after the effective date.

2. Agent's Obligation for Subsidy Loan Advanced to Agent by the Companies.

The Agent is obligated and agrees to repay Subsidy Loan to the Companies according to the following: 50% of the Subsidy Loan paid in the first twelve months (1 through 12) of the Career Agent Program and 100% of all Subsidy Loan paid in the second 12 months (13 through 24) of the Career Agent Program.

3. Conditions for Continuation of Loan Advances and Performance Standards.

Loan payments will continue provided Agent produces and issues the minimum standards (all requirements are Policies Issued and Paid) pursuant to the requirements below:

Three-Month Requirements			Accumulated Requirements		
Months	P&C	Life	Months	P&C	Life
1 through 3	30	3	1 through 3	30	3
4 through 6	40	4	1 through 6	70	7
7 through 9	40	4	1 through 9	110	11
10 through 12	40	4	1 through 12	150	15
13 through 15	50	4	1 through 15	200	19
16 through 18	50	4	1 through 18	250	23
19 through 21	60	5	1 through 21	310	28
22 through 24	60	5	1 through 24	370	33

Production requirements reflected in this Addendum will be based on the Companies' closing dates for the insuring entity issuing the policy and as reflected in the Agent's folio from _____ to _____ as reported on the Career Agent Subsidy Tracker. Life Issued and Paid requirements are measured on a net issue basis as measured by the Career Agent Subsidy Tracker.

If Agent fails to meet these Three-Month or Accumulated Requirements, the Companies may discontinue Subsidy Loan payments to Agent immediately.

4. Failure to Achieve Subsidy Performance Standards.

If Subsidy Loan has been discontinued for failure to meet the performance standards under the Three-Month or Accumulated Requirements described in Paragraph 3, Agent will begin repayment of Subsidy Loan balance. Repayment will be 25% of the gross commission folios for each month commencing with the first folio after loan advances by the Companies are discontinued.

If after Subsidy Loan payments have been discontinued for failure to meet the Three-Month or Accumulated Requirements performance standards, and Agent fails to meet the next Three-Month or Accumulated Requirements, all training will cease and the Appointment may be terminated immediately. Agent will be responsible for the repayment of all subsidies received until the Subsidy Loan is paid in full according to the terms described in Paragraph 8, following.

If after Subsidy Loan has been discontinued for failure to meet the Three-Month or Accumulated Requirements described in Paragraph 3, and Agent meets the next Three-Month and Accumulated Requirements, subsidy levels previously qualified for will be reinstated for future loan disbursements, but not retroactively for amounts not disbursed due to Agent's prior failure to meet the then required Three-Month or Accumulated Requirements. Any subsequent subsidy loan payments will be subject to meeting the continuing Three-Month and Accumulated Requirements.

If Subsidy Performance Standards are not achieved in months 22 through 24, the applicable Agent Performance Standards set forth in the Agents Guide will be measured in months 25 through 27 to determine whether the Agreement will continue or the Agreement will be terminated ("validation" status). If the applicable Agent Performance Standards are achieved, Agent will validate; if not achieved, the Agreement may be terminated immediately.

5. Career Agent Training.

Career agents must be current on the Career Business Builder program in order to receive subsidy payments. Failure to be on track for the Career Business Builder training program can result in the halt of subsidy payments.

6. Repayment of Subsidy.

If Agent meets the 24 month Accumulated Requirements in Paragraph 3, repayment of Subsidy Loan will be made monthly and will commence on the 31st month by folio deduction at the following rate until the loan is paid in full:

- 2% of total amount owed, up to a maximum of \$200 monthly, in months 31 through 42.
- 2% of total amount owed, up to a maximum of \$300 monthly, in months 43 through 54.
- 2% of total amount owed, up to a maximum of \$500 monthly, starting in month 55.

If Agent fails to meet the 24 month Accumulated Requirements in Paragraph 3, Subsidy Loan repayments will be made monthly and will commence on the 25th month by folio deduction at the following rate until the loan is paid in full:

- 2% of total amount owed, up to a maximum of \$200 monthly, in months 25 through 36.
- 2% of total amount owed, up to a maximum of \$300 monthly, in months 37 through 48.
- 2% of total amount owed, up to a maximum of \$500 monthly, starting in month 49.

7. Earned Waiver of Subsidy Loan Repayment- Run To Daylight.

- a) Agent must complete the 24 month period for performing the minimum standards of the Policies Issued and Paid requirement and have accomplished the 24 month Accumulated Requirements to be eligible for any waiver of subsidy. Agent must successfully complete the Farmers Business Builder Career Development System, including associated assessments, within two years of the Career Appointment date to be eligible for any waiver of subsidy. If Agent has sufficient levels of 3XX Series Policies in Force ("PIF") at the end of 24, 36 and 48 months after Appointment, Agent's obligation to repay the Subsidy Loan advanced can be waived. Subsidy not waived at 24, 36 and 48 months will be repaid according to Paragraph 6 above.
- b) At the conclusion of 24 months, the entire aggregate Subsidy Loan amount paid to the Agent will be determined. One-third (1/3) of the aggregate amount will be eligible for waiver of Agent's obligation to the Companies based on PIF at the end of 24 months (year 2) of the Agent's Appointment. One-third (1/3) will be eligible for waiver of Agent's obligation to the Companies based on PIF at the end of 36 months (year 3) after Agent's Appointment. The final one-third (1/3) of Agent's obligation will be eligible for waiver by the Companies based on PIF at the end of 48 months (year 4) after Agent's appointment. Agent must meet the PIF levels described in the following schedule to be eligible for the Companies granting a waiver of the Subsidy Loan eligible for waiver:

Subsidy Loan Waiver Schedule — Policies in Force 3XX Code

* As measured by the Career Agent Subsidy Tracker

	P&C PIF	Life PIF
24 Months	600	50
36 Months	900	75
48 Months	1200	100

8. Termination of Agent Appointment Agreement.

Upon termination of the Appointment by either the Companies or Agent, the full amount of any Subsidy Loan provided by the Companies to Agent under this Addendum shall be immediately due and repayable by Agent to the Companies.

Agent further agrees that the Companies will have the first lien in the amount of any unpaid balance of the Subsidy Loan, upon any amounts Agent or a nominee may at anytime be entitled to receive from the Companies upon termination of the Agent's Appointment.

Unless otherwise agreed in writing by Agent and the Companies, termination of the Appointment or Addendum shall not cancel any of the provisions that specifically pertain to the rights and obligations of Agent or the Companies upon termination that by their nature or terms are intended to survive termination of the Appointment.

9. Companies Right to and use of Consumer Report on Agent.

Agent agrees to the following:

If Agent fails in any respect to repay Agent's Subsidy Loan, Agent hereby authorizes any consumer-reporting agency to furnish a consumer report on Agent to the Companies at the Companies' sole request to the consumer-reporting agency without further notice to Agent.

The Companies have a legitimate and permissible purpose and business need in obtaining a consumer report on Agent in connection with the Subsidy Loan transaction between the Companies and Agent. This clause and Agent's signature below serves as Agent's sufficient and written instruction to a consumer-reporting agency to furnish a consumer report on Agent to the Companies.

The Companies may furnish, without further authorization by Agent or further notice to Agent, a consumer report on Agent to a third party for such third party's aid in collecting Subsidy Loan amounts owed by Agent.

For the Companies listed at the beginning of this Addendum.

By: _____
Signature of Authorized Representative

Title

Printed or Typed Name of Authorized Representative

Date (mm/dd/yyyy)

Agent: _____
Signature of Agent

Date (mm/dd/yyyy)

Printed or Typed Name of Agent



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Subsidy Level Schedule I to the Career Agent Program Subsidy Addendum

This Schedule I to the Career Agent Program Subsidy Addendum ("Addendum") between _____ ("Agent")

and the Companies that are parties to the Addendum is amended as provided in this Schedule I. Except as modified as follows, all of the provisions of the Addendum and Agent Appointment Agreement shall be and remain in full force and effect.

1. The effective date of this Schedule I is _____.
2. For the appointment of Agent by the Companies to the Career Agent Program and to assist Agent to develop as a full-time Agent, the Companies agree to pay Agent all net commissions earned, plus a subsidy loan for a period of the first six months. Loan will be \$2,000 if Agent has secured Agent's 6 & 63 licenses. If Agent has not secured Agent's 6 & 63 licenses, then the loan will be \$1,500.
 - a. The loan payments will continue for the six month period provided Agent produces and issues a minimum of 30 P&C policies and three Life policies during the first three months of the Career Agent Program. If Agent fails to produce and issue 30 P&C policies and three Life policies during the first three months, the Companies will discontinue loan payments immediately for months four through six and the Agent will be subject to the provisions of the Addendum.
 - b. Pursuant to the Performance Requirement standards below, Agent performance in the first six months of the Career Agent Program will determine level of Subsidy loan payments available for Subsidy Level Schedule II.

P&C Policies Issued	Life Policies Issued	Eligible for
70	7	BRONZE Match Subsidy Program
100	10	SILVER Match Plus Subsidy Program
120	12	GOLD Farmers/future Dollars Program
150	15	PLATINUM Staff Subsidy Program

- c. If the Agent produces and issues less than 70 P&C policies and seven Life policies during the first six months, all training will cease, and the Agent Appointment Agreement will be terminated immediately by the Companies; and Agent will be subject to the provisions, including the provision for repayment of money loaned to Agent, of the Addendum and the Agent Appointment Agreement.

For the Companies listed at the beginning of the Agent Appointment Agreement.

By: _____

Signature of Authorized Representative

Title

Printed or Typed Name of Authorized Representative

Date (mm/dd/yyyy)

Agent: _____

Signature of Agent

Date (mm/dd/yyyy)

Printed or Typed Name of Agent



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Subsidy Level Schedule II to the Career Agent Program Subsidy Addendum

This Schedule II to the Career Agent Program Subsidy Addendum ("Addendum") between _____ ("Agent") and the Companies that are parties to the Addendum is amended as provided in this Schedule II. Except as modified as follows, all of the provisions of the Addendum and Agent Appointment Agreement shall be and remain in full force and effect.

1. The effective date of this Schedule II is _____.
2. For Agent performance level of _____ P&C policies issued and _____ Life policies issued during the initial six months under the Addendum and Subsidy Schedule I, and to assist Agent to develop as a full-time agent, the Companies agree to pay Agent all net commissions earned, and as a loan the Subsidy Program identified below with a "Yes" for a period up to 18 months (months seven through 24 of the Career Agent Program).

YES/NO Indicates Level of Qualification Required (Respond to Only One of the Two Choices).

- Yes No BRONZE — Match Subsidy Program
- Yes No SILVER — Match Plus Subsidy Program

YES/NO Indicates Election of Qualified Agent (Either Gold or Both May Apply).

- Yes No GOLD — Farmersfuture Dollars Program
- Yes No PLATINUM — Staff Subsidy Program

■ BRONZE — Match Subsidy Program (\$1 - \$1,500 or \$1 - \$2,000)

If marked "Yes" above, starting in Agent's seventh month of the Career Agent Program, and continuing through the 18th month, the Companies agree to advance the Agent, as a subsidy loan, an amount equal to Agent's New Business commissions matched from \$1 of monthly New Business commissions up to \$2,000 if Agent has secured Agent's 6 & 63 licenses. Loan will be matched from \$1 of monthly New Business commissions up to \$1,500 if Agent has not secured Agent's 6 & 63 licenses.

In months 19 through 24, the Companies agree to advance the Agent, as a loan, an amount equal to Agent's New Business commissions matched from \$1 of monthly New Business commissions up to \$1,500 if Agent has secured Agent's 6 & 63 licenses. Loan will be matched from \$1 of monthly New Business commissions up to \$1,000 if Agent has not secured Agent's 6 & 63 licenses.

■ SILVER — Match Plus Subsidy Program (\$1 - \$2,000 or \$1 - \$2,500)

If marked "Yes" above, starting in Agent's seventh month of the Career Agent Program, and continuing through the 18th month, the Companies agree to advance the Agent, as a subsidy loan, an amount equal to Agent's New Business commissions matched from \$1 of monthly New Business commissions up to \$2,500 if Agent has secured Agent's 6 & 63 licenses. Loan will be matched from \$1 of monthly New Business commissions up to \$2,000 if Agent has not secured Agent's 6 & 63 licenses.

In months 19 through 24, the Companies agree to advance the Agent, as a loan, an amount equal to Agent's New Business commissions matched from \$1 of monthly New Business commissions up to \$2,000 if Agent has secured Agent's 6 & 63 licenses. Loan will be matched from \$1 of monthly New Business commissions up to \$1,500 if Agent has not secured Agent's 6 & 63 licenses.

■ **GOLD** — Farmersfuture Dollars Program

If marked "Yes" above, starting in Agent's seventh month of the Career Agent Program, and continuing through the 24th month, the Companies agree to provide Agent, as a subsidy loan, an amount equal to a maximum of \$300 quarterly, with a maximum of \$1,800 aggregate in Farmersfuture Dollars. The loan must be used toward Farmersfuture Dollars programs.

■ **PLATINUM** — Staff Subsidy Program

If marked "Yes" above, starting in Agent's seventh month of the Career Agent Program, and continuing through the 24th month, the Companies agree to provide Agent, as a subsidy loan, a maximum of \$1,500 per month up to a total aggregate of \$12,000, on a reimbursement basis for the cost of compensating approved Staff personnel.

To receive reimbursement, Agent must submit a Performance Plus Subsidy Reimbursement Request form to the Companies for approval showing compensation the Agent has paid to the approved Staff person(s) for the given calendar month along with a copy of the cancelled check verifying payment.

3. The loan payments by the Companies will continue for months seven through 24 provided Agent produces and issues the minimum standards pursuant to the Three-Month and Accumulated Requirements established in the Addendum and restated below:

Subsidy Performance Standards
All Requirements are Policies Issued and Paid

Three-Month Requirements			Accumulated Requirements		
Months	P&C	Life	Months	P&C	Life
7 through 9	40	4	1 through 9	110	11
10 through 12	40	4	1 through 12	150	15
13 through 15	50	4	1 through 15	200	19
16 through 18	50	4	1 through 18	250	23
19 through 21	60	5	1 through 21	310	28
22 through 24	60	5	1 through 24	370	33

4. If Agent fails to meet these Three-Month or Accumulated Requirements standards, the Companies may immediately discontinue loan payments and Agent will be subject to the provisions, including the provisions for repayment of money loaned to Agent, of the Addendum and the Agent Appointment Agreement.

For the Companies listed at the beginning of the Agent Appointment Agreement.

By: _____
Signature of Authorized Representative

Title

Printed or Typed Name of Authorized Representative

Date (mm/dd/yyyy)

Agent: _____
Signature of Agent

Date (mm/dd/yyyy)

Printed or Typed Name of Agent



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Subsidy Level Schedule III to the Career Agent Program Subsidy Addendum

This Schedule III to the Career Agent Program Subsidy Addendum ("Addendum") between _____

("Agent") and the Companies that are parties to the Addendum is amended as provided in this Schedule III. Except as modified as follows, all of the provisions of the Addendum and Agent Appointment Agreement shall be and remain in full force and effect.

DIAMOND-Agent Office Subsidy Program

1. The effective date of this Schedule III is _____.

2. For consideration of Agent performance level of _____ P&C Policies in Force (3XX code) and _____ Life Policies in Force (3XX code) at the end of the initial 12 months of the Career Agent Program, and to assist Agent to develop as a full-time agent, the Companies agree to pay Agent all net commissions earned, and as a loan a maximum of \$750 per month up to an aggregate total of \$6,000, on a reimbursement basis for the cost of rents for an approved office, starting in the Agent's 13th month of the Career Agent Program, and continuing through the 24th month.

- a. To receive reimbursement, Agent must submit a Performance Plus Subsidy Reimbursement Request to the Companies for approval showing approved rent the Agent has paid for the given calendar month along with a copy of the cancelled check verifying payment.
- b. Loan payments may continue for months 13 through 24 provided Agent produces and issues the minimum standards pursuant to the Three-Month and Accumulated Requirements established in the Addendum and restated as follows:

Subsidy Performance Standards

All Requirements are Policies Issued and Paid

Three-Month Requirements			Accumulated Requirements		
Months	P&C	Life	Months	P&C	Life
13 through 15	50	4	1 through 15	200	19
16 through 18	50	4	1 through 18	250	23
19 through 21	60	5	1 through 21	310	28
22 through 24	60	5	1 through 24	370	33

- c. If Agent fails to meet the Performance Requirement standards, the Companies may immediately discontinue loan payments and the Agent will be subject to the provisions of the Addendum and the Appointment Agreement.

For the Companies listed at the beginning of the Agent Appointment Agreement.

By: _____
Signature of Authorized Representative

Title

Printed or Typed Name of Authorized Representative

Date (mm/dd/yyyy)

Agent: _____
Signature of Agent

Date (mm/dd/yyyy)

Printed or Typed Name of Agent