



SAGE AGREEMENT INSTRUCTIONS

You will find the Agreement between the Final Expense Planning Specialist Association (formerly known as the Certified Final Expense Advisors Association) and SAGE. Please follow the instructions below and in turn, your SAGE account will be activated.

1. Page 1, ***print*** your full name
2. Page 5, left side, ***sign and date***. Note that you have the option to print your Company/Agency name.
3. Page 6, at the bottom, **date, sign and print your name**
4. Scan/Email to membership@feapsa.org or fax to 866-503-3914.

Should you have any questions, please call 855-600-2332.



SAGE Scholars, Inc.
1650 Arch Street, Suite 1903
Philadelphia, PA 19103
voice 215-564-9930
fax 215-564-9934
info@sagescholars.com

FACILITATION AGREEMENT

between

SAGE SCHOLARS, INC.

and

(Advisor/Agent affiliated with Certified Final Expense Advisors Association)

WHEREAS: SAGE Scholars, Inc. (hereafter "SAGE") has created the Tuition Discount Plan, referred to as Tuition Rewards® or by other titles, designed to:

- a) Encourage families to save money or identify assets that may be used to help finance a private college education;
- b) Provide tuition discounts to students ("Beneficiaries") identified by eligible account holders ("Sponsors") who are clients / customers of SAGE financial partners;
- c) Provide participating colleges with certain information, enabling student recruiting, in return for those colleges providing the Tuition Discount and participating in the SAGE program.

WHEREAS: Advisor / Agent affiliated with Certified Final Expense Advisors Association (hereafter, "Agent") wishes to offer Tuition Rewards® Points, similar to frequent flyer miles, to individual clients ("Sponsors") and/or their student beneficiaries.

By participating, Agent shall be eligible to enroll Sponsors in Tuition Rewards, enabling them to earn Rewards Points which can be redeemed, at participating colleges and universities, for Tuition Discounts for undergraduate study, beginning with the freshman year. Agent hereby acknowledges that enrollment shall be based upon the reasonable expectation that any enrolled individual client has sufficient assets to be able to finance some or all of a four-year undergraduate private college education.

ELIGIBLE ASSETS

Assets that qualify a Sponsor to receive Tuition Rewards Points must be assets under management by Agent or products sold by Agent to the Sponsor. Such assets shall include: Annuities, Life Insurance with cash value, including but not limited to final expense policies, single premium life and whole life; Disability Insurance policies; and, Long-Term Care Insurance policies.

Prohibited from consideration are:

- (1) **Voluntary Benefits** - Because of a pre-existing exclusive arrangement, insurance products that are marketed to employees of participating companies, unions and non-profit entities and sold through the workplace, either paid for as a payroll deduction as "voluntary benefits" or paid directly by employees;
- (2) **Participating 529 Plan(s)** - Because they already receive Tuition Rewards Points, account-holders in 529 Plans that have agreements with SAGE (currently, only Pennsylvania);
- (3) **Term Life Insurance**- Because they do not represent an asset that can pay for college tuition, term life policies that have no cash value are excluded from receiving annually-recurring Sponsor points. Term life with cash value is eligible;
- (4) Specific other insurance policies that have no cash value – specifically, auto, homeowners, property & casualty, medical, dental, vision;
- (5) Because of an exclusivity agreement applicable only in Pennsylvania and Delaware, retirement plan assets of **school district employees**;

(6) **Corporate retirement plans** - This agreement applies **only** to Agent's **individual clients**. We strongly encourage Agents to provide our program to employers who are your clients; however, any agreement involving corporations, partnerships, associations, churches or synagogues, groups, organizations, unions and other entities involves additional fees and must be negotiated separately with SAGE.

SAGE reserves the right to add exclusives or to modify the list of prohibited products at its discretion.

REWARDS POINTS – ADVISOR / AGENT PLAN

For the Agent Plan, Tuition Rewards Points shall be awarded to individual clients ("Sponsors") as follows:

- a) **Pre-Sale Points – Prospects & Clients:** Agents shall be able to award a 500-point Tuition Rewards Bonus to each prospect who attends a seminar event or pre-sale meeting with the agent. Current clients shall also be eligible for this bonus.
- b) **Points Upon Enrollment – Clients & Prospects:** As an enrollment bonus: 500 Tuition Rewards Points* shall be awarded to each new account-holder ("Sponsor") and 500 "student-specific" Tuition Rewards Points to each new eligible family member ("Student Beneficiary")** upon activation of his/her account online. Prospects as well as clients shall be eligible for enrollment bonuses.
- c) **Annual Student Birthday Points** – All enrolled students shall receive 1,000 annual points on their birthday until Aug. 31 of the year that 12th grade begins. A student can be the "beneficiary" of multiple clients but is limited to 1,000 annual points regardless of the number of affiliated Sponsors. Sponsors are not limited in the number of student beneficiaries that they can register as long as there's a family relationship. (*Student points are not transferrable.*)
- d) **Whole, Variable & Universal Life** (new sales & prior sales) – **first-year points:** Agent shall have the right to award 2,500 one-time Tuition Rewards points to clients ("Sponsors") who purchase (or have purchased) eligible life insurance policies that enable accumulation of cash value that can be used to fund college expenses. Points shall be issued on only one policy per sponsor, with a maximum of two cash-value life insurance policies per household.
- e) **Whole, Variable & Universal Life** (including prior sales) – **'renewal' points:** Clients whose policies remain "active" (which shall be the assumption until Agent specifies otherwise) and who have logged into their Tuition Rewards account(s) at least once during the year shall receive an additional 1,000 points per year.
- f) **One-Time Bonus Points – Disability, Long-Term Care & Return of Premium Policies** (new sales & prior sales): Agent shall have the right to award 2,500 Tuition Rewards points, as a one-time bonus, to any client ("Sponsor") who purchases (or has purchased) either a disability, a long-term care or a policy that provides a return-of-premium payment.
- g) **Annuity & Single Premium Life Policies** (new sales & prior sales): Rewards points shall be awarded at an annual rate of 5% of end-of-period asset value for participating account-holders. Agent shall provide an annual end-of-period spreadsheet to SAGE in a SAGE-specified format that indicates the cash value of such policies for each client.
- h) **Referral Bonus Points – Clients only:** Agents shall be able to award at least one 500-point Tuition Rewards Bonus to each Sponsor for new business referrals. (SAGE shall have the right to increase the number of referral bonuses at its discretion. Currently up to three 500-points bonuses per client for three qualified referrals for new clients to the agent)
- i) **Annual Review Bonus Points – Clients only:** Annually, Agents shall be able to award one 500-point Tuition Rewards Bonus to each Sponsor for completion of an annual review / meeting.

* One Tuition Reward point equals \$1.00 in scholarship ("discount", "grant") provided by participating colleges, which may use the Tuition Reward value as part of or separate from other financial aid provided by the institution (or other sources).

** "Student-specific" points are not transferable to other enrolled students. Each student can earn points from only from one source; for example, a student may earn points only from one parent, not both (nor from a parent and a grandparent). Sponsor enrollment bonus points may be transferred to other enrolled, eligible family members.

ENROLLMENT LIMITS:

To encourage client enrollment – including past sales as well as new sales – Agent shall be able to enroll **an unlimited number of new and existing clients.**

However, Agent is prohibited from enrolling clients of colleagues – other Agents / Advisors in his or her office. Colleagues are encouraged to take out their own Agent membership through the Certified Final Expense Advisors Association.

RESPONSIBILITIES:

CFEAA and/or SAGE shall:

- a) Administer the Plan, including preparation of electronic Enrollment Agreements to Sponsors and maintaining executed Enrollment Agreements for the duration of the Plan by electronic means.
- b) Make available the list of member colleges and universities to Agent, Sponsors & Beneficiaries.
- c) Award Tuition Rewards enrollment bonuses as specified and award annual Rewards Points & other bonuses to enrolled Sponsors as long as Agent remains in good standing.
- d) Award Tuition Rewards points annually for enrolled students on their birthdays as specified.
- e) Make available, electronically, a Statement of Account, including the accumulated Tuition Discounts, to each participating Sponsor.
- f) Should Agent/Advisor terminate participation, continue to allow Sponsors affiliated with Agent/Advisor to access their accounts at no charge, although no further Sponsor Rewards shall be earned. (If Agent/Advisor has fulfilled the minimum one-year term birthday rewards for students shall be deemed "vested" and continue to age 17.)
- g) Upon receipt of signed agreement, provide Agent/Advisor with access to the secure portion of the Tuition Rewards website; and, provide Agent with training & compliance materials.
- h) Assist Agent in developing additional marketing materials, as needed, and approve materials forwarded to SAGE by Agent for compliance review.
- i) SAGE or shall provide Agent with a “trifold” brochure (8.5” x 11”) that enables agent to insert his or her own contact information and print (at his or her own expense) to hand to clients.

AGENT/ADVISOR shall:

- a) Provide Tuition Rewards to individual clients as an added benefit **and agree NOT to charge clients to participate in the program.** Agent is prohibited from receiving checks from clients made out to "SAGE Tuition Rewards" (or the like) for clients wishing to participate in the program.
- b) **Provide all new marketing materials mentioning Tuition Rewards to SAGE for compliance approval.** Following agreement execution, read the SAGE compliance document and oversee enrollment of Sponsors and students according to SAGE specifications.
- c) **Not post a list of participating colleges nor their logos** on any website affiliated with agent or agent's organization. Member colleges specifically prohibit such listings by unaffiliated organizations with whom no signed agreement exists. However, agent may (and is encouraged to) post a link to SAGE websites that lists participating colleges.
- d) **Not to contact the admissions, financial aid or development offices of SAGE member colleges for business purposes without prior authorization from SAGE.**
- e) Sign the advisor terms & conditions attached as "exhibit A" on page 5. (SAGE reserves the right to update the terms & conditions from time-to-time.)

COMPENSATION:

- a) Fees: Agent/Advisor shall pay CFEAA/SAGE a monthly recurring fee of \$40 or an annual fee of \$480 as long as their CFEAA Membership is active.
- b) Term: This Agreement shall be for a minimum of one year from the date of signature (or implementation, whichever is later). After one year, the agreement shall renew automatically on a month-to-month basis or annual basis *only if the Agent/Advisor's CFEAA membership is current*; after one year, either party may terminate with 30 days' notice.
- c) Non-Payment: If the credit card expires or becomes invalid, Agent/Advisor shall promptly supply CFEAA with updated credit card information. If such information is not received within 30 days, CFEAA shall have the right to suspend service, including agent web access to Sponsor data. CFEAA/SAGE shall also have the right to freeze annual Rewards to affiliated Sponsors & Beneficiaries and prohibit enrollment of new Sponsors & Beneficiaries until such time as payment is made. If agent does not renew CFEAA membership within 45 days, agent/advisor shall be prohibited from participation in the program. If Agent/Advisor does not complete the minimum obligation of one year during their CFEAA membership year, CFEAA/SAGE reserves the right to invalidate Rewards issued to date to Sponsors & Beneficiaries affiliated with Agent.

MISCELLANEOUS:

- a) Confidentiality: Agent/Advisor and SAGE shall treat as confidential all information regarding or related to the Plan that is not otherwise known to the public. SAGE shall keep client account data confidential.
- b) Nonexclusive Services: Nothing in this agreement will be construed as to create an exclusive relationship between the Agent/Advisor and CFEAA/SAGE. Agent/Advisor acknowledges that CFEAA/SAGE solicits and performs similar services on behalf of other financial professionals that the Agent may consider direct or indirect competition.
- c) Limits of Liability: CFEAA/SAGE agrees to perform the services under the agreement in a diligent and proficient manner, employing reasonable prudence to protect the interest of the Agent and the Agent's clients. Due to the nature of the services provided under the agreement, CFEAA/SAGE's liability to Partner shall be limited to correcting errors or to the value of services improperly performed.
- d) Indemnification by Agent: Agent/Advisor shall indemnify and hold harmless CFEAA/SAGE and any of its officers, directors, trustees, employees, agents and legal representatives against any and all claims, actions, damages, obligations, losses, liabilities, costs and expenses (including reasonable attorneys' fees, costs of collection, and other costs of defense) (collectively, "Damages"), arising from any breach by Agent of any warranty, representation covenant, or agreement made or to be performed by Agent pursuant to this Agreement or actual failure to abide by the terms of this Agreement.
- e) Complete Agreement: This Agreement (and any exhibits delivered pursuant hereto thereto) contains the entire agreement among the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings. This Agreement may be altered by a writing, executed by the parties.
- f) Resolution of Disputes: Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The location of any arbitration proceeding will be Philadelphia, Pennsylvania.
- g) Terms & Conditions are subject to change at any time.

IN WITNESS WHEREOF, including to be legally bound, the parties have executed this Agreement.

By: _____

Sign Above

Title: Final Expense Planning Specialist

Company: _____

DATE: _____

By: _____

Ralph Wileczek/Natalie Hunt

Directors

Certified Final Expense Advisors Association

DATE: _____

Exhibit A – Advisor Terms & Conditions

Tuition Rewards®, created by SAGE Scholars, Inc. (hereafter "SAGE"), is designed to:

- a) Encourage families to save money (or identify assets) that may be used to help finance a college education;
- b) Provide tuition discounts at participating colleges to students ("Beneficiaries") identified by eligible account-holders ("Sponsors") who are clients / customers of SAGE financial partners;
- c) Provide participating colleges with certain information, enabling student recruiting, in return for the colleges providing the agreed tuition discounts to participants in Tuition Rewards.

As a Participating Advisor ("Advisor"), I agree that:

1. **Terms:** I understand that: (a) Tuition Rewards are provided in **points**, not cash. (b) Rewards Points can be redeemed for discounts on undergraduate tuition at participating 4-year private colleges & universities, starting with the freshman year. (c) Rewards Points must be submitted at time of application. (d) Rewards are limited to a maximum per student of up to one year's tuition, spread evenly over 4 years, or as contractually agreed.* (e) Colleges reserve the right to use Tuition Rewards as part of, or separate from, any financial aid or scholarship package.

* Amounts vary by college, with some early members still "capped" at \$13,800 or other fixed amounts. The current standard college contract is "indexed" for inflation; as tuition rises, the maximum Reward rises.

2. **Free to Families:** I will provide Tuition Rewards to individual clients as an **added benefit**; I agree NOT to charge clients to receive Rewards Points. I understand that I am prohibited from receiving checks from clients made out to "SAGE Tuition Rewards" (or the like) for clients wishing to participate.

3. **Clients:** I will enroll only my own clients. I understand that I am prohibited from enrolling clients of non-participating colleagues with whom I work. I understand that I am prohibited from providing points to organizations to "parcel out" to members. I understand that any agreement involving clients who are banks, credit unions, companies, associations, churches, groups, organizations, unions and other entities must be negotiated separately with SAGE.

4. **Assets:** I understand that assets that qualify a Sponsor to receive Tuition Rewards include: Annuities, Life Insurance with cash value, disability policies and long-term care policies. Currently prohibited from consideration are Term Life Insurance (with no cash value). Also prohibited are: (a) 529 Savings Plan balances from states participating in Tuition Rewards (as clients already may be receiving Rewards Points); and, (b) company retirement plan assets (401(k), 403(b), etc.); (c) Awarding Tuition Rewards points based on sales of voluntary benefits to organizations without approval of The College Tuition Benefit, which has exclusive distribution rights.

(SAGE may modify eligible assets from time-to-time at its discretion.)

5. **Signature:** I will provide to Clients ("Sponsors") a "Consent Form" for signature. The form protects the Advisor and SAGE from potential liability. The form asks Sponsors to acknowledge Tuition Reward terms and deadlines (for enrollment, transfer of points to students, submission of points to colleges, etc.). A copy of the form is to be provided to the Sponsor, reminding sponsor of all important deadlines.

6. **Marketing:** I will provide **all marketing materials** that I create concerning Tuition Rewards to SAGE's compliance department for review & approval **prior** to production, publication or email marketing. This includes, but is not limited to my/our website (& other electronic copy), advertisements, brochures & flyers. **I acknowledge that I prohibited from publishing a comprehensive list of SAGE colleges on our website.**

7. **Member Colleges:** I agree that I will not contact the development, admissions or financial aid offices of any member college for business purposes without prior authorization from SAGE (unless I have a pre-existing relationship).

[Explanation: When non-savvy advisors have contacted college development offices seeking business; this has not only proved unsuccessful for advisors -- but has caused member colleges to threaten to withdraw from the Tuition Rewards college consortium. Member colleges are certain to have pre-existing relationships with trustees, major donors and influential alumni involved in financial services. Colleges join our program to recruit students – not to fend off salespeople. Contacting development officers (unfamiliar with an enrollment initiative) is not only a waste of your time and effort -- but can result in the loss of membership of our colleges.]

Date: _____ Signature: _____ Print Name: _____