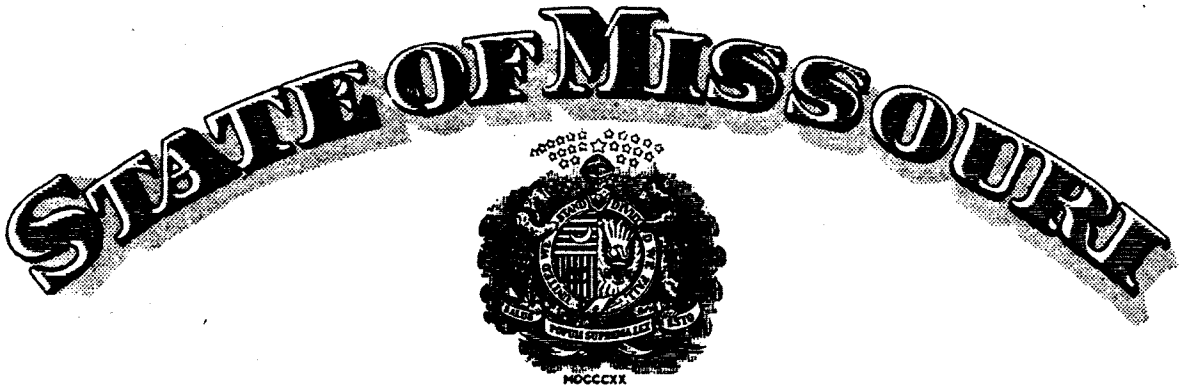

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:	**INVESTORS UNION, LLC D/B/A ANNUITY SERVICE CENTER**	**Case No. 060803273C**

AGREEMENT

W. DALE FINKE, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, and Investors Union d/b/a Annuity Service Center, agree to the following findings of fact, conclusions of law, and agreement:

1. WHEREAS, W. Dale Finke is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereinafter, "Director") whose duties, pursuant to Chapter 375, RSMo (Cum. Supp. 2005), include the regulation of the business of insurance.

2. WHEREAS, Investors Union, LLC (hereinafter, "Investors Union") is a business entity licensed for the purpose of engaging in insurance agency business and other lawful business and operating from the State of Ohio (insurance license number 27514).

3. WHEREAS, Annuity Service Center is registered as a fictitious name or trade name for Investors Union in the State of Ohio. Annuity Service Center arranges and schedules

appointments for independent insurance agents, activities not requiring licensure as an insurance producer pursuant to 20 CSR 700-1.020.

4. WHEREAS, pursuant to the above-cited statutory provision neither Investors Union nor Annuity Service Center is licensed as an insurance producer in the State of Missouri.

5. WHEREAS, between October 2005 and August 2006, Investors Union sent postcards to residents of the State of Missouri under the name of Annuity Service Center.

6. WHEREAS, the Department of Insurance, Financial Institutions and Professional Registration Division of Consumer Affairs states that it received several complaints from Missouri consumers and licensed insurance producers regarding Annuity Service Center. In response to the complaints, the Division of Consumer Affairs has alleged that the postcards could mislead some Missouri consumers and that Annuity Service Center's activities constituted a violation of the Missouri Unfair Trade Practices Law, § 375.934, RSMo (2000).

7. WHEREAS, Investors Union disputes that Annuity Service Center's activities constitute a violation of § 375.934, RSMo (2000), but Investors Union d/b/a Annuity Service Center and the Department of Insurance, Financial Institutions and Professional Registration (hereinafter, "the Department") desire to settle the allegations and matters raised by the Division of Consumer Affairs.

8. WHEREAS, Investors Union d/b/a Annuity Service Center and the Department consent to the issuance of this Agreement.

9. WHEREAS, Investors Union d/b/a Annuity Service Center, expressly denying and without admitting to the allegations raised in this matter, waives the right to a hearing to contest any provision of this Agreement and has stipulated and agreed to the issuance of this

Agreement without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.

10. WHEREAS, Investors Union d/b/a Annuity Service Center releases and holds harmless the Department, the Director, and his agents from any and all liability and claims arising out of, pertaining to or relating to this matter.

11. WHEREAS, in consideration of Investors Union d/b/a Annuity Service Center consent to this Agreement, the Division of Consumer Affairs agrees to withdraw its Petition for Cease and Desist Order filed with the Director by Tamara A. Wallace.

12. WHEREAS, the Director is authorized to enter into this Agreement in the public interest pursuant to MO HB 1837, 93rd Gen. Assem., 2d Reg. Session (2006) and § 374.280, RSMo (2000).

13. **NOW THEREFORE,** based on the foregoing, **IT IS HEREBY AGREED** by the Director , acting through Enforcement Counsel Tamara A. Wallace, and by Investors Union d/b/a Annuity Service Center as follows:

14. **Agreement with respect to the form of the postcard.** Investors Union d/b/a Annuity Service Center agrees to use the postcard attached hereto as Exhibit A, in both language and form, including but not limited to the bolding of certain words as indicated therein. The Department agrees that the use of the attached postcard does not constitute a violation of the Missouri Unfair Trade Practices Law, § 375.934, RSMo (2000), but such agreement does not constitute an endorsement of Investors Union d/b/a Annuity Service Center's postcard. Investors Union d/b/a Annuity Service Center agrees to limit its mailings in the State of Missouri to the attached postcard as indicated herein. The Department and Investors Union d/b/a Annuity Service Center further agree that the postcard in Exhibit A may need to be modified from time to

time and, when such modifications need to occur, Investors Union d/b/a Annuity Service Center shall submit such modifications to the Department for approval before mailing a postcard different from that in Exhibit A to residents in Missouri.

15. **Donation.** Investors Union d/b/a Annuity Service Center agrees to make a donation in the amount of three thousand dollars five hundred and zero cents ($3,500.00) to the Insurance Dedicated Fund, and not as a reportable fine. Such payment will be by cashier's check or money order and shall be paid within ten (10) business days of the execution of this Agreement. Such donation shall be delivered to the Missouri Department of Insurance, Financial Institutions, and Professional Registration, Attention Tamara A. Wallace, Enforcement Counsel, P.O. Box 690, Jefferson City, Missouri 65102.

16. **Full and Complete Settlement.** The Parties hereto agree that this Agreement shall be and hereby is in full and complete settlement of any and all claims that were or could have been brought by the Department regarding any activities engaged in by Investors Union d/b/a Annuity Service Center on or before the date hereof in the State of Missouri, and shall not constitute an admission or concession of any violation of law, rule or regulation. Otherwise, the terms of this Agreement shall be subject to such additional orders or modifications as may become necessary to enforce those terms.

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Investors Union d/b/a Annuity Service Center has the right to a hearing, but that Investors Union d/b/a Annuity Service Center has waived the hearing ~~and~~ consented to the issuance of this Agreement.

12-5-06

Investors Union, LLC
By Peter J. Bonnell, III, as Managing Director
4015 Medina Road
Suite 200
Medina, Ohio 44256
(330) 725-7980

Date

Tamara Wallace

11-30-06

Tamara A. Wallace
Enforcement Counsel
Missouri Bar # 59020
Missouri Department of Insurance, Financial
Institutions & Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
(573) 751-2619

Date

ANNUITY DISCLOSURES:

This communication is to inform you that you may have an annuity that has reached the end of its surrender period.

> The end of a surrender period is a positive event that means an owner may cash in an annuity or make withdrawals without incurring a surrender charge. A surrender charge is a fee levied by an insurance company on an annuity contract for withdrawals before the end of the time set by the contract (the surrender period). Withdrawals may, however, still be subject to tax consequences.

Please Contact Gayle Clary in the Annuity Service Center to discuss your options.

(800) 560-9448

STANDARD

Annuity Service Center
P.O. Box 1012
Medina, OH 44258
Phone (800) 560-9448

Consumer Name
Street
City, State Zip

Privacy Law Notice. This Notice is provided in accordance with the Federal Privacy Laws. The Policy of Annuity Service Center is to protect the privacy rights of all consumers who respond to this notice. THE ANNUITY SERVICE CENTER DOES NOT POSSESS OR DISCLOSE NON-PUBLIC PERSONAL INFORMATION TO THIRD PARTIES IN ANY INSTANCE. If you choose to have an existing policy or contract reviewed by a licensed agent referred by the Annuity Service Center, that agent is also required to adhere to the state and federal consumer and privacy protection laws. Important Information: The Annuity Service Center is a registered trade name of Investors Union, LLC, a third-party agency, and this notice is being sent to you as a possible holder of an in-force annuity contract. This agency does not sell or solicit the sale of insurance products and does not have a direct affiliation with the insurance carrier through which you are currently contracted. The agency is contracted with agents licensed to conduct insurance business in your state. THIS NOTICE SHOULD BE DISREGARDED IF YOU DO NOT CURRENTLY HAVE AN IN-FORCE ANNUITY CONTRACT.

Tamara L Wallace Missouri Dept of Insurance