

**UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA**

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AMERICAN FAMILY MUTUAL  
INSURANCE COMPANY,  
AMERICAN FAMILY LIFE  
INSURANCE COMPANY,  
and AMERICAN STANDARD  
INSURANCE COMPANY,  
Wisconsin corporations,

Plaintiffs,

v.

**AMENDED JUDGMENT IN A CIVIL  
CASE**

Civil File No. 12-53 (MJD/SER)

STEVEN G. GRAHAM,  
a Minnesota resident, and  
STEVEN GRAHAM AGENCY, INC.,  
a Minnesota corporation,

Defendants and Counterclaimants.

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This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

**IT IS ORDERED AND ADJUDGED THAT:**

1. As to Count One (Breach of Contract) of the Complaint [Docket No. 1], Judgment is entered in favor of Plaintiffs American Family Mutual Insurance Company, American Family Life Insurance Company, and American Standard Insurance Company of Wisconsin (together, "American Family") and against Defendants Steven G. Graham and the Steven Graham Agency, Inc. (together, "Graham"), jointly and severally, for \$614,631.61, an amount which includes \$538,789.28 in Extended Earnings payments and \$75,842.33 in prejudgment interest.
2. Plaintiffs' request for declaratory judgment is **GRANTED**. The Court declares that:
  - a. The American Family Corporate Agent Agreement between American Family and Graham, which is Exhibit A to the Complaint (the "Agreement"), is valid and enforceable pursuant to its terms;
  - b. Graham breached Section 6(k) of the Agreement by either inducing or attempting to induce policyholders of American Family credited to Graham's account at the time of termination to

lapse, cancel, replace, or surrender insurance policies in force with American Family;

- c. As provided in Section 6(u) of the Agreement, Graham must forfeit all Extended Earnings that have been paid to Graham; and
- d. As provided in Section 6(u) of the Agreement, American Family has no obligation to continue paying Extended Earnings to Graham.

- 3. As to Count I (Breach of Contract) of Graham's Amended Counterclaims [Docket No. 25], Judgment is entered in favor of American Family and against Graham.
- 4. As to Graham's claim for Breach of the Duty of Good Faith, Judgment is entered in favor of American Family and against Graham.
- 5. Judgment is entered in favor of American Family and against Graham in the amount of costs as taxed by the Clerk of Court.

Dated: April 22, 2014

s/ Michael J. Davis  
Michael J. Davis  
Chief Judge  
United States District Court