



AHCP
America's Health Care Plan

Discover the
DIFFERENCE
with AHCP



AGENT INFORMATION

Legal Name: _____
Last First MI

Address: _____
Street Address Apartment/ Unit #
_____ City State Zip Code

Home Phone: _____ Business Phone: _____

Email Address: _____

SSN: _____ Tax ID: _____ Date of Birth: _____

Bilingual? No Yes Languages spoken other than English _____

NPN #: _____ FFM ID: _____

UPLINE & COMMISSION

Direct Up-line/ Manager: _____ DP: _____

Commission Level: _____ (Unsure? Contact your up-line)

Referral _____

Advance Options: As Earned

APPOINTMENT INSTRUCTIONS

Appointment Checklist for: **North American Company (NA)**

- Page 1 AHCP Appointment Coversheet (this page)
- Page 2-6 Contracting Forms
- Page 7 Annualization Addendum
- Page 8 Contract Transmittal
- Page 9 W9
- Page 10 Deposit Authorization (Commissions paid by AHCP)
- Page 11-25 AHCP Producer Agreement & Agent Guidelines

Additional Requirements:

- Copy of all current Licenses
- Copy of E&O Insurance Certificate
- Anti-Money Laundering (AML) Certificate

RETURN INSTRUCTIONS

Scan Email Option: Send to contracting@ahcpsales.com

Fax Option: 888-781-0586

Mailing Address: 1100 NW Compton Dr. 2nd Floor Beaverton, OR 97006

This checklist is intended to provide you with a list of steps to help have a successful appointment with North American.

Follow these easy steps to get an agent contracted:

- Complete a Contract Application (6798Z) in its entirety**
 - If you are contracting your corporation, include your name and Social Security Number as well as the corporation's name and Taxpayer ID Number.
 - If you have a Broker/Dealer, include their information.
 - If you are a resident of California, Minnesota or Oklahoma, the Credit Authorization form is required (9043Z-A).
- Transmittal Form (0-2682)**
This form will need to be completed by your supervising entity, FMO or MGA office.
- Include proof of current Errors and Omissions (E&O) coverage (declaration page).**
North American requires coverage of \$1 million aggregate and \$1 million per occurrence. Typically this comes in the form of a declaration page from the contract. If you do not have E&O coverage, AON provides a discount for North American agents. Please contact them at 800-621-0711 for details.
- Anti-Money Laundering (AML)**
This is a USA PATRIOT ACT requirement. We have LIMRA training available to you or, if you have completed this through another source, please provide a copy of the certificate for the course completed.
- It is required to have your commissions deposited directly into your bank account. Send a completed Direct Deposit Authorization form (8960Z) along with a voided check. Please be sure to complete the form in its entirety.**
- Read the procedures outlined in the Compliance Manual (Life - L-2891; Annuity - 8943Z).**

Required for Annuity Agents ONLY

- Annuity Certification**
The Annuity Service Center requires that all agents take our product certification test to familiarize you with our product line. Once you receive notification that you can take the test, visit our website at <http://nacolah.agentcertification.com>.
 - This certification must be completed before North American will process any pending annuity business.
 - Certification may also be required to be completed **BEFORE** the solicitation of annuity business as deemed necessary by the specific state you are writing business in.
- Read the procedures outlined in Understanding Your Client's Needs Fixed Annuity Product Guide (8109Z).**
- State-Specific Suitability CE Requirement as applicable**
Please be sure to check with your state's department of insurance for any suitability requirements that are required to sell annuities. The state-specific suitability requirement is for both residents and non-residents alike to be completed as the states deem necessary before soliciting annuity business.
- You may email, fax, or mail these required documents to Agent Contracting Services:**
4350 Westown Parkway
West Des Moines, IA 50266
Phone: 866-322-7068
Fax: 866-322-7072
nacontracting@sfgmembers.com

Note: If you are submitting a New Business application, please complete the above requirements prior to meeting with the client. This will help your future business process efficiently.

FIRST NAME	MI	LAST NAME	GENDER <input type="checkbox"/> M <input type="checkbox"/> F	DATE OF BIRTH	SOCIAL SECURITY NUMBER	NATIONAL PRODUCER NUMBER
TYPE OF APPOINTMENT <input checked="" type="checkbox"/> LIFE <input type="checkbox"/> ANNUITY		CONTRACT TYPE <input type="checkbox"/> LLC* <input type="checkbox"/> PARTNERSHIP* <input type="checkbox"/> SOLE PROPRIETORSHIP* <input type="checkbox"/> CORPORATION* <input type="checkbox"/> INDIVIDUAL			TAXPAYER ID NUMBER	CRD NUMBER
RESIDENCE ADDRESS – STREET, CITY, STATE, ZIP				RESIDENCE TELEPHONE ()		
BUSINESS NAME				BUSINESS TELEPHONE ()		
BUSINESS ADDRESS – STREET, CITY, STATE, ZIP				BUSINESS FAX ()		
PREFERRED MAILING <input type="checkbox"/> RESIDENCE ADDRESS <input type="checkbox"/> BUSINESS ADDRESS				CELL PHONE ()		
E-MAIL ADDRESS				PREFERRED CONTACT <input type="checkbox"/> RES. PHONE <input type="checkbox"/> BUS. PHONE <input type="checkbox"/> CELL PHONE <input type="checkbox"/> E-MAIL		
BROKER/DEALER NAME				PROFESSIONAL DESIGNATION <input type="checkbox"/> CLU <input type="checkbox"/> CHFC <input type="checkbox"/> LUTCF <input type="checkbox"/> CFP SECURITIES LICENSES <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 24 <input type="checkbox"/> 26 <input type="checkbox"/> 63 <input type="checkbox"/> RIA		
BROKER/DEALER ADDRESS – CITY, STATE				BROKER/DEALER CRD # (IF KNOWN)		

PLEASE RESPOND TO ALL QUESTIONS FOR YOU PERSONALLY AND ANY ORGANIZATION OVER WHICH YOU HAVE EXERCISED CONTROL. IF YOU ANSWER "YES" TO ANY QUESTIONS, YOU MUST ATTACH AN EXPLANATION WITH ALL RELEVANT INFORMATION AND SUPPORTING DOCUMENTS.

- Yes No Have you ever been convicted, pled guilty or nolo contendere, or do you have pending charges to a felony or misdemeanor? If yes, attach copy of court records.
- Yes No Have you ever had any regulatory action taken against you, or had your insurance or securities license denied, suspended, terminated or revoked by an insurance department, FINRA or any other regulatory agency?
- Yes No Have you ever had a complaint filed or do you anticipate a complaint being filed against you by a consumer, an insurance department, FINRA or any other regulatory agency?
- Yes No Has your contract or appointment ever been terminated involuntarily by an insurer or FINRA member firm?
- Yes No Has any claim ever been made against you, your surety company or errors and omissions insurer arising out of insurance and/or securities sales?
- Yes No Are you currently involved or ever been involved in litigation?
- Yes No Do you have past due financial obligations, unsatisfied judgments or liens, including any delinquent state or federal tax obligations?
- Yes No Have you ever filed bankruptcy?
- Yes No Does any person or entity claim any indebtedness from you as a result of any insurance transaction or business?

COMPLIANCE

- Yes No I will conform to the procedures outlined in the "Compliance Manual" and all company product guides.

Please list all relatives who are currently licensed to sell life insurance, including annuities

Name _____ Relationship _____ SSN _____
 Name _____ Relationship _____ SSN _____

CONDITIONS AND AGREEMENTS – By signing this application, I hereby acknowledge I have read a specimen copy of the proposed contract and all applicable supplements and addendums thereto to be entered into between myself and North American Company for Life and Health Insurance® (North American). I agree to be bound by all of the terms and conditions of such contract, supplements and addendums, which includes applicable commission schedule(s), and further agree that upon authorization to solicit business by North American, such contract, supplements and addendums shall be legally binding on me without further action required on my part. Thereafter, such contract, supplements and addendums shall govern my relationship with North American, a personalized copy of which shall be made available to me by North American by electronic delivery. I agree not to solicit business until I have been notified by North American that I am authorized to do so. I represent and warrant that all information and answers to questions are true and complete. I understand the Fair Credit Reporting act requires North American to notify me that, as a routine part of processing my contract application, a consumer report may be obtained which may include information bearing on my credit worthiness, credit standing, credit capacity, character, general reputation, and personal characteristics or mode of living. I further authorize North American or its affiliates¹ to obtain a consumer report and Vector One report in connection with this contract application. I further authorize North American or any of its affiliates or their duly authorized representatives to contact any organization or individual who has knowledge of my employment history, credit history, financial status, or record of any illegal activity to (a) obtain a record of such history, status or activities and (b) hereby authorize the release of such information by such organization or individual in connection with this application and (c) authorize North American or any of its affiliates to release information about any debit balance I may incur to Vector One, its successors, or any organization designated to replace Vector One. This authorization shall remain valid and in effect during the term of my contract. We reserve the right to obtain subsequent consumer reports and/or investigative consumer reports on an as needed basis. Any Marketing materials which have not been provided by North American must be approved by North American prior to their use. I understand that any specimen sales brochures and material I have received are provided only for my personal examination of product provisions and rates. A photocopy of this authorization shall be as valid as the original, regardless of the date it is signed. ¹Affiliate means any company owned, directly or indirectly, by Sammons Financial Group, Inc.

AGENT AUTHORIZATION – Under penalties of perjury, I certify that: 1) The Social Security Number or Taxpayer Identification Number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and 2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

AGENT SIGNATURE	OFFICER SIGNATURE*	DATE
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I have reviewed the above application and I hereby recommend this agent contract for consideration by North American.

DISTRIBUTOR SIGNATURE	CODE Y2776	DATE
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*If Officer of a Corporation, LLC, Partnership, or Sole Proprietorship please sign both as Agent and Officer.

Completed form should be forwarded to the appropriate Life Division or Annuity Service Center at the address below.



AGENT CONTRACT

NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE • ANNUITY SERVICE CENTER

Agent: _____ Effective Date: _____

Commission Schedule: level 1

North American Company for Life and Health Insurance (hereinafter individually and/or collectively call the "Company", "we", or "us" as the case may be), and the undersigned Person (hereinafter called "Agent", "You", or "Yourself"), in consideration of your undertaking to sell any life insurance policy, health insurance policy, annuity and/or other products offered by the Company (the "annuity contract") for the consideration as stated in this Agent Contract and Commission Schedule attached hereto (collectively, the "Contract") and made a part hereof, mutually agree to the following terms.

1. GENERAL AGREEMENTS

You shall be duly licensed by the applicable state insurance departments, federal regulatory agencies and other governmental bodies having jurisdiction. You shall operate in strict conformance with all applicable laws and regulations and in conformity with the rules and regulations of the Company. You agree to exert your best efforts in keeping all insurance effective under this Contract in full force and effect. You agree to be bonded and insured in such manner as we may, in our discretion, require. You are an independent contractor for the Company and not an employee of the Company. Nothing contained in this Contract shall create, or shall be construed to create, the relationship of an employer and employee between the Company and you. You shall be free to exercise your own judgment as to the persons from whom you will solicit applications and as to the time and place of solicitation, subject to the Company's business policies and practices. You may represent other insurance companies while this Contract is in force, provided, however, that while doing so you may not hold yourself out in any manner as acting on behalf of the Company. You agree that your compensation is determined by the terms of this Contract or Addendums to the Contract. You are not eligible to participate in any employee benefit programs, including any employee welfare or pension benefit plan for employees of the Company.

For the purposes of this Contract, the terms "agents and subagents" as used in this Contract shall mean: (a) you and your employees, (b) any agent or broker you obtain or solicit who becomes a contracted agent or broker with the Company, (c) any corporation or business entity owned or controlled by you which becomes a contracted agency or broker of the Company, and/or (d) any agent or broker subsequently appointed or obtained by any agent or broker appointed by the Company directly or indirectly through you or any agent or broker network you have contracted. All appointments of agents and subagents by you to submit business under this Contract shall be subject to written approval by us. All contracts with agents and subagents shall be between the Company and such agents and subagents. We reserve the right to terminate any such appointments and contracts at any time. We reserve the right, in our sole discretion, to retain, reassign or terminate agents appointed by you or to you and to reassign or transfer such agents directly to us or to any of our other agents without any obligation to you. You will have no right to future compensation of any kind or type for production written by or through such agents after such reassignment or termination or after your termination of your contract with us. We have the right to communicate directly with any of the agents appointed by or to you. In the event of any conflict between this Contract and any other documents, including the Commission Schedules, the language of this Contract shall control. The licensed agent who solicited the business and was present at the time of the sale must sign the application.

2. SETTLEMENT WITH THE COMPANY

Only the initial premium on applications procured by you may be collect by you. All premium settlements shall be by federal funds wire or by check payable to the Company, received subject to collection. Premium payments shall not be collected by you in cash. All premiums received by you are received as a fiduciary and held in trust, and all premium settlements, entire or partial, taken with an application or taken upon delivery of the annuity contract, shall be immediately forwarded to the Company. You shall not at any time when making such settlements deduct for any commission due you.

3. DELIVERY

Where applicable, delivery of an annuity contract may be made only if the proposed insured at the time of delivery is, to the best of your knowledge and belief, in as good a condition of health and insurability as is stated in the applications for such annuity contract, the first premium has been fully paid; and thirty (30) days has not elapsed from the date said annuity contract was issued by the Company. An annuity contract not so delivered shall be immediately returned to the Company so that it is physically received by the Company no later than three (3) days thereafter. For each annuity contract issued in a form as applied for and returned for cancellation on account of nonacceptance by the applicant or which is rewritten by us at your request, we may require you, upon request, to reimburse us for the cost of underwriting requirements.

4. AUTHORITY OF AGENT

You are not authorized, and are expressly forbidden, to bind the Company by any promise or agreement, to incur any debt, expense or liability in its name or account, to enter into any legal proceedings in connection with any matter pertaining to our business, or to waive or alter any of the provisions of any policy issued by us. Except for that provided by the Company, any material, supplies, advertising or other printed matter mentioning the Company by name or relating to any of its products may be used, or be permitted to be used, only with our prior written approval.

5. CHANGE OF CONTRACT AND TERRITORY

Without liability to you, we may in our sole discretion, at any time and from time to time, retire from any territory, discontinue or withdraw any annuity contract form, in any territory without prejudice to our right to continue use of said form in any other territory, discontinue or withdraw any annuity contract form in all territories and resume the issuance or use of any annuity contract form in any territory or territories, at any time.

6. ASSIGNMENT

Neither this Contract, nor any of your rights under it, may be assigned, pledged or hypothecated, without the prior written consent of the Company. The Company does not assume any responsibility for, or guarantee the validity or sufficiency of any assignment. No assignment shall be operative while any indebtedness to the Company remains unsatisfied and any such assignment shall be subject to any existing or future indebtedness of yours to us hereunder.

7. RESPONSIBILITY OF THE AGENT

You shall be jointly and severally liable, with any agents and subagents to the Company for the payment of all monies, including any advance or liabilities due or owed to the Company, including any affiliated entity of the Company, by you or any agents and subagents. Liabilities due or owed include any advances or liabilities under this contract and any agents or subagents contract; liabilities created by any agent's and subagent's misfeasance or malfeasance concerning the Company's (and its affiliates) business and any other amount due under a contract, agreement or arrangement of any kind between said agents and subagents with the Company (or any of its affiliates). The determination of the amount of any liabilities or advances due or owed shall be at the sole discretion of the Company. The parties hereto agree the Company retains the absolute and unilateral right to settle and resolve all claims or causes of action, in its sole discretion, raised or asserted by any person, concerning the actions by you or any agents and subagents. Your joint and several liability shall not be contingent on your input or participation or notice of or concerning any such claims or assertions. Such monies due from you shall be debited on the books of the Company with the amount of such obligation, when the same is due and unpaid from you or any agents and subagents to the Company, and on demand, you shall promptly pay the Company the amount of such debt. Any agent Commission Statement that reflects a negative ending balance shall constitute a demand for payment to the Company of the amounts so indicated. Any such debt, together with interest thereon at the rate of 1½% per month or the maximum legal rate, whichever is less, or other liability owed by you to the Company (or any of its affiliates) may be set off by the Company, at any time, against any sums due from the Company to you, and a first lien is hereby reserved to the Company thereon for the satisfaction of any such debt or liability. You agree to indemnify the Company for any attorney fees, court costs, expenses, and/or money damages that the Company incurs in the collection of any indebtedness owed by you to the Company pursuant to this Contract, and/or for any legal action brought by or against you, your agents or subagents, and/or the Company arising out of or relating to this contract.

8. NOTICES

Any notice or demand required or permitted to be given under this Contract shall be in writing and shall be deemed effective (unless this Contract provides for a different period of time) upon the personal delivery thereof if delivered, or if mailed, forty-eight hours after having been deposited in the United States mail, postage prepaid, or sent by any electronic means for which confirmation of receipt can be shown, and addressed in the case of the Company to its then principal place of business, and in the case of you to the address set forth in this Contract or the address you have designated for the delivery of your Agent Commission Statements. Either party may change the address to which such notices are to be addressed by giving the other party notice in the manner herein set forth.

9. COMMISSIONS

First year and renewal commissions shall be fully vested to you as they accrue. We shall pay you the commissions computed on the commissionable premiums paid to, received and accepted by us on applications procured by you in accordance with this Contract at the rate and under the conditions as set forth in the Commission Schedule attached to and made a part of this Contract, as amended from time to time by the Company. No commissions will be payable on premiums paid in advance until after the due dates of the respective premiums so paid in advance, and then only if the annuity contract is in force and effect on such due date. We reserve the right notwithstanding the provision of Section 11 hereof, to unilaterally revise the commission rates or conditions on any one or all of the annuity contract forms or schedules at any time at our sole discretion, but such revision shall apply only to applications for insurance thereafter received by us. If any insurance procured hereunder is subsequently converted to, or replaced by, some other form of annuity contract, the commissions payable, if any, under such new insurance shall be paid to you only if such conversion or replacement is effected by or through you. The Company reserves the right to establish an aggregate minimum dollar amount for commission checks to be issued. Such minimum amount will be set forth in the Commission Schedule referred to, as amended from time to time by the Company. The minimum amount may be changed by the Company at its sole discretion without notice. Should the Company, in its sole discretion deem it appropriate at any time to cancel a policy and to refund any premium or payment on which you or your agents and/or subagents, were paid any commission, then such commission shall be charged back against any other commissions that are due or become due to your or your agents and/or subagents. In the event no other commissions are due or become due, you shall repay to the Company in cash upon demand any such commissions you or your agents and/or subagents received on policies that were cancelled by the Company.

10. SEVERABILITY

Any provision of this Contract which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and such other provisions shall remain in full force and effect.

11. NON-WAIVER

The forbearance or neglect of the Company to insist upon strict compliance by you with any of the provision of this Contract, whether continuing or not, or to declare a termination against you, shall not be construed as a waiver of any of the Company's rights or privileges hereunder. No waiver of any right or privilege of the Company arising from any default or failure of performance by you shall affect the Company's rights or privileges in the event of a further default or failure of performance.

12. ENTIRE AGREEMENT

This Contract contains the entire agreement between us with respect to the subject matter hereof and supersedes all prior oral and written agreements, understandings and commitments between us. No amendments to this Contract may be made except by writing signed by you and an officer of the Company. Notwithstanding the forgoing, this Contract shall not supersede any agency contracts which you have with the Company through its Chicago, Illinois based life operations and such contract shall remain in effect until terminated in accordance with its terms.

13. CONSTRUCTION AND VENUE

To the fullest extent controllable by our stipulation, this Contract shall be construed in accordance with the laws of Iowa applicable to contracts performed entirely within the State. The parties agree that any action to enforce the provisions hereof, or arising from the actions of any party in connection therewith, may be brought in the District Court in Polk County, Iowa, except such action as may be necessary by the Company to protect, preserve and realize its interest in your assets located in another jurisdiction.

14. WAIVER OF JURY TRIAL

To the extent authorized by law, the Agent and Company hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Contract, or any instrument or document delivered in connection therewith.

15. TERMINATION

- (1) Automatic Termination. Except to the extent prohibited by applicable law, this Contract shall be automatically terminated, without notice, in the event of you (a) cease to be licensed to sell the products offered by the Company, including being placed on suspended status, as required by a state insurance department or governmental body having jurisdiction over such licensing; (b) failure to pay, withhold or misappropriate any money or property belonging to the Company; (c) fail to comply with the laws, rules or regulations of any federal, state or other governmental agency or body having jurisdiction over the products offered by the Company; (d) commit any felony; fraud embezzlement; or other acts of moral turpitude; (d) die; or (f) legally or contractually dissolve, if you are a corporation or business entity. Should you be terminated under this, you will forfeit all your rights to any further payments under this Contract.
- (2) Termination by the Company. The Company may terminate this Contract, at any time, by delivering or mailing written notice of such termination as provided in Section 8 above in the event the Company determines, in its sole and exclusive discretion that you have: (a) exposed the Company to potential liability due to your misfeasance or malfeasance (b) failed to conform to the business policies and practices of the Company; (c) replaced any annuity contracts issued by the Company with contracts issued by another Company. Should this Contract be terminated for any of the reasons set forth in the preceding sentence, you will forfeit all your rights to any further payments under this Contract. For purposes of determining whether this Contract has been breached under this paragraph, the acts of all your employees, and any agents and subagents, as the case may be, shall be deemed your acts. The Company may also elect to exercise its right to terminate this Contract at any time, upon giving notice (as provided in Section 8), in the event of an involuntary assignment by you for benefit of your creditors; your bankruptcy; or your total and permanent disability.
- (3) Termination by Either Party. This Contract may also be terminated by either party without cause by giving thirty (30) days advanced written notice to the other party. The right of termination under this paragraph is not restricted by the provisions in the paragraphs above. Additions to in force cases may be permitted, provided the Plan under which the case was originally issued is then being issued and shall be commissionable in accordance with the practice of the Company then in effect.
- (4) Effect of Termination. In the event this contract is terminated due to your death, the voluntary relinquishment of your license to sell the products offered by the Company, the voluntary dissolution of your business entity, or the termination of the Contract by either party as provided under subparagraph (3) above, you or your designated beneficiary shall continue to receive the payments under this Contract, if any. In the event this Contract is terminated due to any other reason set forth in this Section 15, you shall automatically forfeit any and all rights to any further payments due or to become due under this Contract, you shall immediately pay in cash to the Company any and all sums due and payable to the Company hereunder. In the event of the termination of this Contract for any reason, you and your agents and/or subagents shall immediately deliver to us all of the previously furnished materials, supplies, advertising and any other printed matter which mentions the Company by name, our rate books, and all other such supplies connected with our business. No annuity contract information will be provided to you or any agents and/or subagents after termination of this Contract. Except as otherwise set forth herein, the obligations of you, and any agents and subagents arising under the Contract shall survive the termination of the Contract, whether such obligations arose prior or subsequent to the termination of this Contract.

Executed as of the Effective Date

NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE • ANNUITY SERVICE CENTER

By _____
Agent

By 
Company Officer

Accepted:
By 
Agent



Annualization Addendum


Distributor/Producer Name (please print): _____

Distributor/Producer Code: _____

In signing this Annualization Addendum, I acknowledge I have read the applicable terms and conditions. I understand any amounts paid as Annualization Commissions are loans and not advances. In the event I am no longer under contract, any Unearned Annualization Commission amounts paid to me are to be repaid to the Company on demand. The Company reserves the right to accept or reject this Addendum and I understand and acknowledge the Company may terminate this Addendum at any time and for any reason. This Addendum shall terminate automatically upon termination of my Contract with the Company.

Please set maximum amount of Annualization per Annualized Policy at \$ 10,000/75% ("Annualization Cap").

Signature of Distributor/Producer: (Required)	Date:
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Signature of Distributor: (Required) 	Date:
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Please retain a copy of this Addendum for your records and send the original to the Company.

FOR OFFICE USE ONLY

Processed and Accepted by the Company:
By: _____
Date: _____ ("Effective Date")

Terms and Conditions

1. Definitions.

- All capitalized terms not otherwise defined in this Addendum shall have the meaning set forth in your contract with the Company (the "Contract").
- An "Annualized Commission" is an advance of a percentage of first year commissions on New Business to you. Annualized Commissions are computed by multiplying the Annualization Percentage by the first year commission rate for New Business, as specified in the applicable commission schedule. Commissions will only be annualized in Year 1 of the Company Product.
- The "Annualization Percentage" is the percentage of first year commissions that the Company will pay you. The Annualization Percentage is identified above and may be modified from time to time by the Company upon written notice to you as set forth in the Contract.
- "Annualized Policy" means New Business for which an Annualized Commission has been paid to you.
- "New Business" means a life insurance policy issued by the Company for which the Company has received full payment of the first modal premium and all outstanding policy requirements. New Business does not include annuities or unscheduled or excess premiums on universal life products.
- "Unearned Annualized Commissions" means Annualized Commissions for which the first year commission on New Business has not been earned.

2. Annualized Commission Payment.

- The Company will pay an Annualized Commission to you on New Business eligible for annualization. The Company reserves the right, in its sole discretion, to determine whether New Business is eligible for annualization under this Addendum.
- An Annualized Commission will be reported as income for tax purposes at the time it is paid to and received by you
- The Company will credit first year commissions, as those commissions are earned, against the sum of Annualized Commissions paid on Annualized Policies pursuant to the Automatic Commission Withholding Process set forth in Section 3 below. Any remaining balance of first year commissions, after crediting those commissions against paid Annualized Commissions, will be paid to you as earned.

- The maximum annualization amounts allowed as a percentage of Annualized Commissions shall be seventy-five percent (75%), except the maximum annualization for annual policies, which shall be one hundred percent (100%).
- The Company reserves the right to determine the maximum amount of Annualized Commissions to be paid in any calendar month to you.
- The Annualization Cap is the maximum amount of Annualized Commissions to be paid on New Business. Such amount shall not exceed: \$10,000.

3. Automatic Commission Withholding Process.

- You shall be provided a commission statement via the Company's website, which statement shall accumulate new available Annualization Commissions and generate electronic funds transfers for amounts payable of \$50 or more.
- Annualized Commissions will be deposited to your bank account on the second working day after a commission cut-off is completed.
- In consideration for receipt of Annualized Commissions under the Annualization Addendum, you authorize the Company to withhold first year commissions earned on an Annualized Policy until the sum of those first year commissions equals the amount of Annualized Commissions paid for that Annualized Policy.
- If first year commissions earned on an Annualized Policy are insufficient to offset Unearned Annualized Commissions for that Annualized Policy, the Company reserves the right to offset any Unearned Annualized Commissions from all first year and renewal commissions otherwise be payable to you.
- In the event an outstanding balance of Unearned Annualized Commissions exists despite (d) and (e) above, the Company reserves the right to seek repayment of that outstanding balance from you pursuant to the Contract.
- Any indebtedness incurred under this Addendum for which recovery cannot be made pursuant to (d), (e) or (f) of this Section 3 shall be governed by the terms for indebtedness included in the Contract.

4. The terms and conditions of the Contract are applicable to this Addendum.



MGA Contract Transmittal

Producer Name: _____ Producer Code (if known): Pending

Contract Type: Producer License Only Producer Distributor Contract Change

Indicate Commission Level: 1

Hierarchy (reports to): America's Health Care/Rx Plan Agency, Inc./AHCP

Name: _____ Code: _____

Name: _____ Code: _____

Name: _____ Code: _____

Name: _____ Code: _____

Name: _____ Code: _____

Comments or Special Instructions:

Any pending business will be paid according to the agent contract (if any) in effect prior to receipt of this Transmittal Form by North American Company for Life and Health Insurance®.

Certain states require a supervising agent/agency to be licensed to receive override commissions. If a license is not held in these states when business is written, override commissions will not be paid.

The individual or agency receiving the compensation from the License Only Producer production must always be licensed/appointed in every State the Producer is licensed/appointed.

Distributor Signature  Distributor # Y2776 Date _____



Authorization for Automatic Deposit

This form will update account information associated to commissions processed by AHCP. To update direct deposit information for commissions processed by an insurance carrier you must complete the carriers direct deposit authorization form. Forms are located in the AHCP Forms Library.

Agent or Agency Name	
Social Security Number or Tax ID Number	
Phone Number	Email Address
Please indicate transaction type: <input type="checkbox"/> Set-Up <input type="checkbox"/> Change <input type="checkbox"/> Cancel	
Please indicate type of account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
Name of Financial Institution:	
Bank—City, State, Phone Number:	
Routing Number:	
Account Number:	

I hereby authorize AHCP to initiate direct deposit of commissions and, if necessary, make corrections for any entries made to my account in error.

Agent Signature _____ Date _____

PLEASE INCLUDE A COPY OF A VOIDED CHECK

Fax this form to AHCP– 888.781.0586
Scanned versions of this form can be emailed to contracting@AHCPsales.com



PRODUCER AGREEMENT

This MARKETING AGREEMENT (“Agreement”) is entered into by and between America’s Health Care/RX Plan AGENCY, Inc., a Delaware Corporation (“AHCP”) and _____, as Agent (“Agent”). The Agreement shall become effective upon Agent’s licensure and appointment.

1. Appointment. AHCP appoints Agent to act as marketer soliciting sales of products offered by and through AHCP and its authorized Carriers. “Carrier” means any insurance company or membership association with whom AHCP has entered into a master marketing agreement.
2. Relationship and Authority. The relationship of Agent to AHCP and scope of authority are set forth in the Agent Guidelines. Agent and Sub-Agents must be properly licensed and approved and appointed by AHCP. “Sub-Agent” means a person or entity that has executed a Producer Agreement with AHCP. Sub-Agents may be solicited by Agent or assigned to Agent by AHCP. Once the Sub-Agent’s paperwork has been submitted and approved by AHCP, the Sub-Agent will be enrolled with Sub-Agent selected AHCP Carriers under the Agent. Agent agrees to comply with the liability insurance requirements set forth in the Agent Guidelines. Agent shall be solely responsible for paying all expenses incurred by Agent in performance of this Agreement, including all license fees, appointment fees, bond fees, and fees and taxes required by any federal, state, or local government. A Sub-Agent may submit a written request to AHCP to be transferred to another Agent if (1) the Sub-Agent has not sold business for at least six-months, and (2) has no outstanding balance with AHCP. If the Sub-Agent has sold business within the preceding six months, Sub-agent must obtain a written release from their current Agent. If the Sub-Agent has an outstanding debit balance, the new Agent must agree to assume liability for the balance before the transfer will be approved by AHCP.
3. Agent Responsibilities.
 - a) Agent shall at all times comply with all laws and regulations of the states in which Agent solicits business. Agent shall be responsible for acquiring and maintaining all licenses in any territory in which Agent solicits insurance, as required by applicable law.
 - b) Agent shall pay for all of Agent's license fees, appointment fees, bond fees, and fees and taxes required by any federal, state or local government, and any required by carriers.
 - c) Agent is solely responsible for the performance, fidelity and honesty of Agent's employees during the term of their employment with Agent.
 - d) All funds collected by Agent are held by Agent in trust and are the property of the Carriers. Agent shall act as fiduciary with respect to those funds, which will in no event be used by Agent for personal, business or other purposes.
 - e) Agent agrees to work diligently to prevent lapsing and replacement of insurance effected hereunder.
 - f) All insurance written by Agent is and remains the property of the Carriers.
 - g) Agent expressly agrees to be bound by all rules and conditions set forth in the Agent Guidelines
4. AHCP Responsibilities. AHCP agrees to provide Agents with the following benefits and services:
 - a) Competitive carriers and products, as determined by AHCP;
 - b) Lead Marketing Credits for issued policies, where applicable (may vary by carrier and/or product);
 - c) Carrier and product training support;
 - d) Advanced funded commissions by AHCP (may vary by carrier/product);
 - e) A toll free agent service line;
 - f) Agency newsletters which include Carrier updates, important announcements and new carrier and product information; and
 - g) Access to agency management tools and technology.

5. Commissions. Subject to all terms of the Agreement, AHCP or its delegate will compensate Agent with the commissions as determined by each Carrier and AHCP. AHCP does not impose a vesting schedule on Agent. Agent is immediately vested according to each Carrier's vesting schedule.

Confirmation of first year and renewal percentages shall be made available to Agent upon written request to AHCP. Commissions may be modified by AHCP. AHCP will make best efforts to provide at least ten (10) days' notice to Agent as set forth in Agent Guidelines. Commissions paid to Agent will be net of any commissions paid to the Sub-Agent. AHCP reserves the right to approve all commission percentage assigned to Sub-Agents, which approval shall not be unreasonably withheld. No commission shall be deemed earned until the policy or membership agreement is issued, delivered, and accepted by the applicant. Commissions will not be paid until AHCP collects or receives payment of its commission.

6. Advance Commissions/Debit Balances. AHCP, or Carriers on AHCP's behalf, may, at its discretion, make Advances to Agent in anticipation of future commissions subject to the rules set forth in Agent Guidelines. Such Advances will increase debit balances, which both parties expressly agree are loans from AHCP.

In consideration for the Advance commissions, Agent agrees to repay to AHCP or their assigns, the debit balances along with interest and/or administrative fees. AHCP reserves the right to charge a reasonable interest on all debit balances. Agent is financially responsible to AHCP and their assigns, for any and all debit balances due by Agent, their Sub-Agents, or any Sub-Agent on whom Agent receives an override. Agent and Sub-Agents shall assume the full and complete advance balance and debit balance of any Sub-Agent.

In the event of a transfer of an Agent from one manager to another, debit balance will transfer to the new manager who agrees to assume financial responsibility for repayment or transfer shall not be approved. Concurrent with that transfer, all rights to any future earned commissions attributable to the Sub-Agent, as well as any tax consequence, will accrue to the new Agent and Sub-Agent.

7. Carrier Requirements. Agent will comply with all Carrier requirements, including providing information or executing forms. Failure to comply may result in forfeiture of commissions and appointments by Carrier.
8. Termination.
 - a. This Agreement may be terminated without cause by either party upon thirty (30) days written notice.
 - b. AHCP may terminate immediately "for cause" (as defined in Agent Guidelines) with written notice to Agent. If this Agreement is terminated for cause, Agent's right to any compensation shall be immediately terminated.
 - c. Upon termination of this Agreement, AHCP may reassign, solicit, appoint or otherwise work with the Sub-Agents of Agent.
 - d. Termination of this Agreement does not absolve Agent of its obligation to repay any outstanding debit balances or chargebacks owed and does not terminate Carrier commissions due to AHCP.
9. Premiums. Agent shall immediately remit all premiums collected or received by Agent and its Sub-Agents in accordance with AHCP guidelines. Initial premium must be presented with the application and accepted by AHCP or Carrier.
10. Rolling Business. AHCP acknowledges that Agent must act in the client's best interest when recommending changing carriers. However, Agents agrees that the moving a block of business from one carrier to another carrier, for the sole purpose of generating or increasing commissions, is not permitted by AHCP and may result in termination of this Agreement and commissions due Agent.
11. Records. Agent shall keep records and provide reports as set forth in Agent Guidelines. AHCP or Carrier will furnish Agent with a monthly statement of Agent's accounts and will pay any amounts due, subject to other provisions of the Agreement. Agent must report any discrepancies and return payment within 30 days or payment will be deemed accepted.

12. Printed Material. AHCP will furnish all printed matter necessary for doing business under the Agreement. Agent and Sub-Agents will not use any materials referring to AHCP or its Carriers and Carriers' products without written approval. All printed materials furnished are property of AHCP and shall be promptly returned upon request or when this Agreement terminates.
13. Refunds and Rejections. Subject to state law, Carriers reserve the right to reject any applications for insurance without specifying cause, and to cancel, refuse to renew, or modify any policy.
14. Discontinuance of Policy Forms. Without incurring any liability, AHCP or Carrier may discontinue, replace, or withdraw any policy. AHCP or Carrier may also determine commissions and renewal commissions on any.
15. Indemnity. Agent agrees to indemnify AHCP, Carrier, affiliates, shareholders, directors, officers, and employees and to hold them harmless from all expenses, liabilities, cost, causes of action, loss, damage, and expense, including attorney's fees and costs of litigation, resulting from any breach of the Agreement or unauthorized, negligent or wrongful act, omission, statement, or presentation by Agent, Agent's employees or Sub-Agents. AHCP agrees to indemnify Agent, affiliates, shareholders, directors, officers, and employees and to hold them harmless from all expenses, liabilities, cost, causes of action, loss, damage, and expense, including attorney's fees and costs of litigation, resulting from any breach of the Agreement or unauthorized, negligent or wrongful act, omission, statement, or presentation by AHCP or its employees. Assignment. AHCP may assign its rights to a third party. Agent may not, without the express prior written consent of AHCP, assign any of its rights, responsibilities or commissions.
16. Audits. Agent shall maintain sufficient and accurate records for the performance its business. Such records shall be open for the inspection of the AHCP and Carrier or their authorized representatives at any time.

Agent, on behalf of itself and Sub-Agents, agrees to maintain all documents, records and other information concerning its arrangements with Policyholders for at least six (6) years following the termination of this Agreement, or such longer period as may be required by law, and to make such documents, records and information available to AHCP and Carrier on request. This provision shall survive the termination of this Agreement.

Agent agrees to allow AHCP or Carrier to audit all relevant books and records upon at least five (5) business days' prior written notice and during regular business hours. AHCP and Carrier are solely responsible for their own expenses in connection with conducting the audit.

17. Security Interest. AHCP will have a superior, continuing security interest in all commissions prior to the right of any permitted assignee. Any assignment so authorized shall be subject to any and all indebtedness of Agent to AHCP then existing or thereafter accruing. To secure the payment of any indebtedness and performance of Agent of all terms of the Agreement, Agent agrees to assign commissions to AHCP pursuant to the terms set forth in Addendum A. Governing Law. The Agreement shall be governed by the laws of Oregon with exclusive venue in Washington County, Oregon.
18. Partial Invalidity. If any provision of this Agreement is declared invalid for any reason, the invalidity of that provision shall not affect the validity of any other provision of this Agreement.
19. Dispute Resolution; Equitable Relief. Each Party agrees that, in the event of a dispute or alleged breach, they shall first work together in good faith to resolve the matter internally through negotiations and, if necessary, by escalating it to higher levels of management. The foregoing shall not apply to, and shall not prevent a party from seeking immediate relief in the event of, disputes involving confidentiality or data protection provision of this Agreement or infringement of intellectual property rights (in which case either party shall be free to seek available remedies in a court of competent jurisdiction in accordance with the Governing Law section of this Agreement.
20. Entire Agreement. This Agreement, including Addendum A and the Agent Guidelines, constitutes the entire agreement and supersedes and replaces any and all prior written or oral agreement between these parties. This Agreement may not be modified without written consent of both parties and shall be binding upon the successors and heirs of the parties hereto.

Executed as the _____ day of _____ 20____.

Agent: _____

By: _____
Signature Date



Steven Trattner, President Date
America's Health Care/Rx Plan Agency, Inc.

ADDENDUM A
ASSIGNMENT OF COMMISSIONS

In exchange for access to AHCP programs and services, Agent agrees to the assignment to AHCP of all commissions earned, subject to the following terms and conditions:

1. All earned commissions assigned to and received by AHCP are received on the Agent's behalf and will promptly be paid out in its entirety to the Agent pursuant to the commission structure and advance commission agreement between AHCP and the Agent. All commission payments will be made by AHCP or its delegate.
2. Agent may, upon written notice to AHCP, opt out of receiving any advance commissions. AHCP will pay out to Agent all earned commissions.
3. AHCP reserves the right to modify commission or advance commission agreements by providing advance written notice to Agent when possible.
4. Agent expressly acknowledges that advance commission from AHCP may result in debit balances being owed by Agent to AHCP. Agent understands that these debit balances are loans which are tied to Agent and must be repaid to AHCP. If AHCP determines that monthly commissions will not satisfy the debit balance within 10 months, AHCP may, upon written notice to Agent, use Agent's commissions from any AHCP Carrier to reduce any debit balances.
5. AHCP may not assign commissions to any unaffiliated party without Agent's express written consent.
6. This assignment only applies to commissions for AHCP business while this agreement is in effect. Subject to use of commission to repay debit balances owed, AHCP shall retain no interest in or control of business sold by Agent. AHCP expressly acknowledges that this agreement in no way changes or affects the Agent's status as "Agent of Record" for any business for which commissions have been assigned to AHCP.
7. This assignment may be revoked by Agent upon 30 days' written notice to AHCP and the Carrier. Once revoked, Agent will be entitled to receive commissions from Carriers so long as all debit balances with AHCP have been paid.
8. AHCP does not impose a vesting schedule on Agent. Agent is immediately vested per Carrier's requirements. AHCP will use reasonable efforts to provide vesting information from Carriers to Agent.

AGENT GUIDELINES

Agent Guidelines were developed to enhance and facilitate the business relationship between AHCP and Agent. The Agent Guidelines are also intended to provide additional information on provisions set forth in the Marketing Agreement. By signing the Marketing Agreement, Agent has agreed to comply with the Agent Guidelines when selling for AHCP.

Agent Guidelines are subject to change by AHCP. Agents should routinely check for Bulletins and Updates.

These Guidelines and any rules contained therein are intended to promote an environment that is both stable and productive for an Agent sales distribution system.

Definitions

“Carrier” means any insurance company, program manager, membership association, or similar entity with whom AHCP has entered into a master marketing agreement.

"Sub-Agent" means a person or entity that (i) has executed a Producer Agreement with AHCP after being solicited by Agent, or (ii) has executed a Producer Agreement with AHCP independent of any solicitation by Agent, and has been duly appointed by AHCP and assigned by AHCP to assist Agent in the performance of duties under the Producer Agreement. All Sub-Agents are marketing agents of AHCP whether recruited by Agent or AHCP and only for the purposes of the Agent receiving an override on commissions of any sub-agent

Relationship and Scope of Authority

Agents have been appointed to act as a marketing agent for AHCP and to represent AHCP in selling the products offered by and through AHCP and its authorized insurance carriers and membership associations. The relationship of the Agent to AHCP is that of an independent contractor, and nothing about the Producer Agreement shall be construed to create the relationship of employee and employer, a partnership or joint-venture.

Each Agent is free to exercise their own judgment as to the time and manner for performing services required under this Agreement. An Agent is also free to exercise their own judgment as to the persons from whom they will solicit applications and the time and place of solicitation, subject to compliance with applicable law.

Limits on Authority

Agents and Sub-Agents are authorized only to solicit applications with respect to the products offered for sale through AHCP and the Carriers that AHCP represents, to forward those applications for processing, and to collect only the initial premium payment due (made out to the Carrier) on such applications. Agents and Sub-Agents shall make no representations, warranties or commitments of any type to applicants as to the issuance of a policy or coverage of specific medical conditions or claims, nor will Agents or Sub-Agents incur any liability or debt on behalf of AHCP or any Carriers.

Agent shall not directly or indirectly contract with any of AHCP's Carriers during the time that Agent is appointed by that Carrier through AHCP and for six (6) months thereafter, or while Agent has any outstanding balances owed to AHCP for advance commission loans or otherwise

unless Agent receives prior written approval and a written Release from AHCP which shall be granted in its sole discretion.

Recruitment of and/or Assignment of Sub-Agents

Agents may, pursuant to rules and policies adopted by AHCP, solicit new Sub-Agents in any state where

- Authorized in advance by AHCP; and
- Agent and Sub-Agents are properly licensed with the state insurance department.

Agent acknowledges:

1. that any recruiting of or recommending of Agents or Sub-Agents to join AHCP's sales distribution system is done on behalf of AHCP; and,
2. that any such recruited or recommended Agent or Sub-Agent that executes a marketing agreement, is accepted by and appointed with AHCP becomes an Agent of AHCP, and is only assigned to managing Agent's hierarchy for the purpose of creating a stable and productive sales distribution system within AHCP.

Agent shall not, during the time Agent is contracted with AHCP and for a period of one year thereafter, solicit, hire, recruit, entice or otherwise suggest or encourage any AHCP Agent or Sub-Agent to discontinue or lower production on behalf of AHCP and its Carriers, to terminate its relationship with AHCP or to breach its contract with AHCP.

Agents will be held responsible for any misappropriation or shortage of funds due AHCP or any Carrier due to the actions of such Sub-Agents.

Agents may not permit or allow any Sub-Agent to solicit applications for insurance policies sold by AHCP until such individuals are duly licensed with the proper state insurance department and are approved and appointed by AHCP and its Carriers.

AHCP may assign Sub-Agents who are already licensed to an Agent. Nothing in the Producer Agreement or Agent Guidelines should be construed to limit AHCP's ability to reassign, solicit, appoint or otherwise work with any Sub-Agents.

Agent and Sub-Agent Requests for Transfers

If Agent is also Sub-Agent within a managing Agent's hierarchy, Agent may submit a written request to AHCP to be transferred to another managing Agent if (1) Agent has no new production (submitted and/or paid) for at least six (6) months; and (2) Agent has no outstanding advance compensation loan balance with AHCP. In the event Agent has production (submitted and/or paid) within the last six (6) months, Agent must (1) obtain a written release from their current managing Agent; and, (2) the new managing Agent must agree to assume liability for any of the Sub-Agent's advance compensation loan balances and must give AHCP a written acceptance of such liability and assignment of income before the transfer will be approved.

Any discrepancies, regarding requests for transfers, between the Agent Guidelines and Agent's Producer Agreement with AHCP shall be resolved and governed by the Agent Guidelines in effect at time of any requests to transfer.

Sales Territory

AHCP may change the area assigned to Agent upon ten (10) days' written notice to the Agent. The area assigned to Agent is not exclusive to that Agent, and AHCP retains the right to appoint other Agents, producers, managers, directors or vice presidents in any state in which Agent is licensed.

Termination

AHCP or the Carrier retains the right at all times to deny appointment of any proposed Sub-Agent or to terminate AHCP's relationship with any Sub-Agent for any reason, with or without cause.

Upon thirty (30) days' written notice to Agent, AHCP may, in its sole discretion and without incurring any liability to Agent or Sub-Agents, discontinue conducting all or any part of its business within all or any part of Agent's territory or any other territory even if AHCP is still licensed and authorized therein.

Agent Duties & Responsibilities

AHCP's Carriers should be the primary carriers for all products to be promoted and sold by Agents or Sub-Agents. However, Agents are not expressly prohibited from being licensed with other insurance companies to sell other product lines, provided that leads and prospective customers derived through AHCP are only offered carriers with whom Agent is appointed through AHCP.

Agents have no authority to act on behalf of AHCP or its Carriers other than as expressly provided under the Producer Agreement. Agents shall at all times comply with all of AHCP's and its Carriers' rules and regulations as amended from time to time, and with all applicable federal and state laws, rules, and regulations.

Agents may not:

(i) rebate any premiums or commissions to any party; (ii) make, alter or discharge any contract or policy; (iii) extend the time for payment of any premium; (iv) waive any forfeiture, policy provision or premium payments; or (v) modify any rate, receipt or requirement. Agent shall be responsible for acquiring and maintaining all licenses in any territory in which Agent solicits insurance, as required by applicable law.

Agent represents and warrants to AHCP now and at all times during the effectiveness of the Producer Agreement that Agent holds all licenses, certifications, bonds, and insurance necessary to perform services.

Agents and Sub-Agents are responsible for paying all license fees, appointment fees, bond fees, and fees and taxes required by any federal, state or local government. Agents are solely and strictly responsible for the performance, fidelity and honesty of employees, Sub-Agents, and independent contractors, all of whom are expected to act in full compliance with AHCP Agent Guidelines.

Agent represents that the state insurance regulatory authorities and all other appropriate governmental authorities with jurisdiction have not revoked, suspended, denied renewal or otherwise imposed restrictions or limitations on Agent's licenses, certifications or qualifications necessary to perform under this Agreement. All Agents agree to comply with applicable provisions of the Gramm Leach Bliley Financial Modernization Act of 1999 and all state requirements. To the extent that nonpublic personal information of any individual is disclosed to an Agent, they agree not to disclose or use the information other than to carry out the purposes of the Producer Agreement.

All premiums and funds collected by Agents and Sub-Agents shall be held in trust for AHCP and its Carriers and will, in no event, be used by any of them for personal, business or other purposes. Agents and Sub-Agents agree to work diligently to prevent lapsing and replacement of insurance effected hereunder.

Agents are financially responsible to AHCP, Carriers, and their assigns, for any and all debit balances due by Agent, any Sub-Agent, or any Sub-Agent from which Agent receives an override. In the event any such debit balance or account is not paid in full when due, the debit balance or account will be transferred to the account of Agent and Agent agrees to pay the same. Coincident with that transfer, all rights to any and all future Earned Commissions attributable to the account, and tax benefits, will also be transferred to Agent.

All insurance placed by Agents and Sub-Agents shall be the property of the Carrier. Agents expressly agree that they will not hold themselves out to the public or others as an employee, partner, or joint venturer of AHCP or its Carriers and understand that they have no authority to, and will not, execute contracts binding on AHCP.

Code of Conduct

As part of the Producer Agreement, all Agents represent that they and their Sub-Agents will become:

1. Fully educated in the benefits and coverage offered by each and every insurance plan and/or product that they offer to the public through their affiliation with AHCP.
2. Fully educated in the business rules of each and every Carrier which they represent to the public through their affiliation with AHCP.
3. Familiar with each Carrier's proper appointment submission rules and guidelines, and to review any non-web-based appointment paperwork before submission.
4. Listed on the distribution of the AHCP Newsletter so as to ensure that each Agent and Sub-Agent becomes aware of AHCP and Carrier changes in process or procedure on a timely basis.

Agent Conduct

Misconduct may not only cost Agents their business, but the collective business of all of AHCP, valuable partners and Agents. Agents should review all of their current practices and be certain that they are always operating in total compliance.

- AHCP requires that all its hierarchies and Agents follow Carrier partners' solicitation, quoting and submission rules and practices.
- Comply with all state regulations and ethical practices in the areas where Agents and Sub-Agents market AHCP's insurance and ancillary products.
- Proper disclosure to clients protects Agents from liability and protects income by minimizing charge backs. It also protects Agents and Carriers from litigation.
- Proper recording of medical conditions on applications protects Agents from liability and protects your income by minimizing policy rescissions. It also protects the Agents and Carrier from damages.
- Proper submission of applications, as per Carrier requirements, is also imperative to protect Agents from exposure to Carrier or even state regulatory actions that can result in suspension or even loss of license.

AHCP provides daily webinar training, 24/7 training materials and live support to assist any hierarchy or Agent in proper practices for the marketing and submission of business.

If AHCP receives knowledge that Agent is not in compliance with its responsibilities of this Agreement, AHCP will make its best efforts to notify Agent in order to take the necessary steps to correct the error prior to a termination.

Carrier Requirements

Individual Carriers will require additional Carrier specific documents to be executed by the Agent. Agents agree that they will properly comply with all Carrier requirements and execute any additional forms or documents required. Agents understand that the failure to execute any additional forms or documents required by the Carrier may result in forfeiture of commissions and appointment by Carrier.

Examples of these additional forms and documents are, but are not limited to, HIPAA addenda, an Advance Lead and Pledge agreement, a Promissory Note, a direct deposit form, a W-9, etc. These specific forms, where applicable, will be attached to and made a part of the Producer Agreement.

Compensation

Subject to all terms of the Producer Agreement, AHCP compensates Agents with the commissions as determined by AHCP and each Carrier. AHCP shall pay no commission to Agent for the sale of any insurance policy or product unless and until AHCP receives payment of its commission from the Carrier that accepts an application for and issues the policy or product.

Confirmation of 1st year and renewal percentages shall be made available to Agent upon written request to AHCP. Commissions may be modified by AHCP within ten (10) days' notice to Agent, which may be contained in any AHCP Field Bulletin or other written communication by AHCP to Agent. No commission shall be deemed earned until the policy is issued, delivered, and accepted by the applicant.

Commissions paid to Agent will be net of any commissions paid to the Sub-Agent. Agent shall be solely responsible for paying all expenses incurred by Agent in performance of this Agreement. AHCP reserves the right to approve all commission percentages to Subagents, which approval shall not be unreasonably withheld.

If the Producer Agreement is terminated for cause, then all of Agent's rights to any compensation will be immediately terminated, including but not limited to all commissions and renewal commissions.

Vesting

AHCP does not impose a vesting schedule on Agent. Agent is immediately vested per each Carrier's requirements. AHCP will use reasonable efforts to provide vesting information from Carriers to Agent.

Payment of Commissions in the Event of Death or Incapacitation

In the event of Agent's death or incapacitation, commissions for in force business will continue to be paid to the Agent's estate, trustee, or legal custodian upon submission of the appropriate documentation to AHCP.

Advance Commissions/Debit Balances

AHCP or any Carrier may, at its discretion, make one or more advances to Agent (each an "Advance") in anticipation of future commissions payable to Agents and Sub-Agents. Advance commissions will be paid in accordance with the advance commission rules established by AHCP or its Carriers.

All Advances shall be deemed loans made to Agents and Sub-Agents and shall be reflected in the Agent's accounts on the books of AHCP or any Carrier. All indebtedness owed by the Agent or Sub-Agents to AHCP or its Carriers, regardless of how created, and whether for advance commissions or otherwise, are referred to herein as "debit balances." In consideration for the Advance Commissions paid to Agent, Agent hereby agrees to repay to AHCP or its Carrier (whichever made payment of the Advance Commissions), or their assigns, the debit balances with interest. Agent and Manager shall submit to financial audits and will confirm debit balances upon written request from AHCP.

The Agent is responsible for the debit balances of all their Sub-Agents from the date each Sub-Agent is appointed by or is assigned to Agent by AHCP.

The amount of the debit balance of each Sub-Agent assigned to or appointed by the Agent which is determined by AHCP to be uncollectible, and any liability incurred by AHCP as a result of acts or omissions of any of an Agent's Sub-Agents will be charged to the Agent. The Agent agrees to pay the same in full.

AHCP may satisfy debit balances of Agents or Sub-Agents by retaining and setting off unpaid earned commissions and override commissions and any other monies due and owed to the Agent by any AHCP Carrier.

If an Agent has any other accounts with AHCP or any of its Carriers, and AHCP, through its review and analysis of Agent's accounts to which advance commissions are being charged, determines that the earned commissions credited to the account will not produce a credit balance in the account in a reasonable time (not to exceed 10 months), then Agents agree that AHCP may use any earned commissions of Agent under other accounts with AHCP or any of its Carriers to offset the debit balance in any other account of the Agent.

In the event of termination of the Producer Agreement, termination by any Carrier of its marketing of policies through AHCP or through the Agent or their Sub-Agents, or following a determination by AHCP that the estimated value of future Earned Commissions is not sufficient to pay the remaining debit balances, then all Earned Commissions, if any, shall be applied to repay the remaining debit balances until fully paid.

If the debit balances are not paid off, the entire remaining balance will be immediately due at the earlier of ten (10) months or a determination that Earned Commissions will not be sufficient to repay the debit balance in full. Any amount remaining unpaid after the due date shall bear interest until paid at the highest applicable lawful rate of interest. If the balance due is not paid in full within thirty (30) days after the due date, the Agent forfeits rights to any future vested Earned Commission.

Method of Remittance on New Applications

Agents will immediately remit to AHCP or its Carrier all premiums collected or received. AHCP will not accept an application unless it is accompanied by the initial premium. No commission is earned until the policy is issued, delivered by Agent or Sub-Agent, and accepted by the applicant.

Reinstated Policies and Converted Policies

No commissions shall be paid on lapsed policies. If a lapsed policy is reinstated by the Agent or Sub-Agent, the commission to be paid will be the same amount as for the renewal of such policy. If the reinstatement of a lapsed policy written by Agent or Sub-Agent is accomplished by a different AHCP Sub-Agent, the Agent or Sub-Agent will not be entitled to a commission on the reinstated policy.

Reinstatement commissions are to be determined by each Carrier. Commissions on rewriting, replacement, or conversion of one form of policy to another (or on surrendered policies) are not covered by this Agreement but may be determined by AHCP on the basis of applications submitted.

Termination of Producer Agreement

The Producer Agreement may be terminated for any or no reason by either party upon thirty (30) days written notice to the other. In addition, AHCP may terminate this Agreement "for cause" immediately upon mailing written notice to Agent's last known address if an Agent or any of their employees' Sub-Agents:

- a) Commits any fraud or dishonesty in connection with the duties, services or actions while performing on behalf of AHCP or any of its Carrier;
- b) Violates any of the terms of the Producer Agreement, or the laws, rules, or regulations governing insurance sales in the state or states in which Agents or Sub-Agents are licensed or any state or assigned territory;
- c) Is indicted or convicted of a felony;
- d) Publishes, distributes or uses any circulars, advertising, sales material, or other matter referring to AHCP or its Carrier or to contracts or policies without first securing written approval;
- e) Becomes insolvent or bankrupt, or makes an assignment for the benefit of creditors, or is in default of any obligation; or
- f) Uses AHCP furnished leads to sell a policy or product issued by a company other than AHCP or its Carriers.

If the Producer Agreement is terminated for cause, then all of Agent's rights to any compensation will be immediately terminated, including but not limited to all commissions and renewal commissions.

Records and Reports

AHCP or its Carrier will furnish Agents with a monthly statement of Agent's Account and will pay any amount due to the Agent, subject to other provisions of the Producer Agreement and Agent Guidelines. Upon receipt of such statement, the Agent should examine it, and if not satisfied as to its accuracy, shall return it and the payment to AHCP with a complete explanation of any perceived discrepancy within thirty (30) days. If AHCP does not receive such notice, the statement shall be deemed accepted by Agent as true and correct.

The Agent's account on the books of AHCP shall be competent evidence of the contents thereof for all purposes. Any additional or duplicate statements or detailed accounting records will be provided by AHCP at Agent's expense. Agent and Manager shall submit to financial audits and will confirm debit balances upon written request from AHCP.

Agent will produce reports and keep such records and business accounts as reasonably requested by AHCP.

Printed Material

AHCP will, itself or through its Carriers, furnish Agents with all applications, circulars, and printed matter which AHCP determines is necessary for doing business under the Producer Agreement. Agents and Sub-Agents agree not to publish, distribute or use any circulars, advertising, sales material, or other matter referring to AHCP or the Carriers or to their policies without first securing AHCP's and the pertinent Carrier's written approval. All printed matter and supplies AHCP furnishes are property of AHCP and will be promptly returned to AHCP upon request or when the Producer Agreement terminates.

Refunds and Rejections

Within the limitations of the law, AHCP and its Carrier reserve the right, at all times, to reject any application for insurance without specifying cause, and to cancel, refuse to renew, or modify any policy.

Agents and Sub-Agents will promptly refund all monies collected on any application when a policy is declined, on any application if the policy is not accepted by the applicant, and on any application for which the premium is refunded.

Discontinuance of Policy Forms

Without incurring any liability to Agents or Sub-Agents, AHCP or the Carrier may discontinue, replace, or withdraw any policy now or hereafter made available for Sale. AHCP, or the Carrier, in its discretion, may determine commissions and renewal commissions, if any, on any policy.

Proprietary Information

Except as may be necessary to perform services under the Producer Agreement, or as may be compelled by law or legal process, Agents may not directly or indirectly divulge, disclose, or communicate to any person, firm, or corporation any Proprietary Information or Trade Secrets of AHCP.

Any breach of the terms of this paragraph is a material breach of the Producer Agreement. The provisions of this Agreement may be enforced by all applicable legal and equitable means, including, without limitation, injunctive relief and suit for damages.

"Proprietary Information" includes, but is not limited to, prospect, policyholder, customer, client, and vendor or supplier lists; identity of customers and clients (including names, addresses, telephone numbers, social security numbers, medical records, medical conditions, or other personal information); amounts and types of insurance; expiration and renewal dates of policies; claim histories; due dates of premiums and amounts thereof; reinsurance companies; premiums and conditions; the prices AHCP obtains or sells, or has obtained or sold, any products or services, and any other information of, about, or concerning the business of AHCP, its manner of operation; its plans, or processes; and any information contained in monthly accounts submitted to Agents and Sub-Agents by AHCP.

Agents agree that Proprietary Information also constitutes Trade Secrets. "Trade Secret," in those states that have adopted the Uniform Trade Secrets Act, is defined as in the Act. In other states, a "Trade Secret" shall have the same meaning as defined in the Act or the meaning given such term by the law of such state, whichever is the more encompassing. Agents agree that AHCP derives independent

economic value from its Proprietary Information and Trade Secrets and from their not being generally known to the public or to other persons who can obtain economic value from their disclosure. Agents agree that all Proprietary Information and Trade Secrets are the sole property of AHCP and that AHCP utilizes efforts that are reasonable under the circumstances to maintain the secrecy of its Proprietary Information and Trade Secrets.

Agents hereby assign to AHCP all rights it might otherwise have acquired or might hereafter acquire in Proprietary Information and Trade Secrets. Agents will not during or after the term of the Producer Agreement make use of any Proprietary Information or Trade Secret for any purpose except as authorized by AHCP, including but not limited to the solicitation of business from any person or entity.

Errors and Omissions

Agents must carry and cause Sub-Agents to carry, at all times during the term of the Producer Agreement, Errors and Omissions liability insurance with not less than \$100,000 per occurrence, or such other amount as AHCP or applicable law may approve or require, covering Agents and Sub-Agents, and naming AHCP as an additional insured. Each policy of such insurance shall be issued by an insurance company acceptable to AHCP. Agents will deliver to AHCP a certificate evidencing such insurance prior to commencement of marketing activities.

Assignment

AHCP may assign its rights hereunder to a third party, including but not limited to any lender.

Agents may not, without the express prior consent of AHCP, assign any of its rights or responsibilities under the Producer Agreement. No assignment of commissions payable by AHCP to Agents will be valid unless authorized by AHCP in advance in writing.

AHCP will, at all times, have a superior, continuing security interest in all commissions prior to the rights of any permitted assignee. Any assignment so authorized shall be subject to any and all indebtedness of Agents to AHCP.

Security Interest

To secure the payment of the Secured Indebtedness of the Agent and the performance by Agent of all terms, covenants and conditions of the Producer Agreement and Agent Guidelines, Agents assign and grant a security interest in all commissions payable to Agents by AHCP or its Carrier to AHCP.

This grant creates a first priority security interest securing the payment and performance of the Secured Indebtedness and all other obligations of the Agent under the Producer Agreement; provided, however, the security interest of AHCP will at all times be subordinate and inferior to the security interest of any assignee of AHCP to whom AHCP has made an assignment or pledge as security for borrowed money.

AHCP Agency retains all the rights of a secured party under the Uniform Commercial Code of the State of Texas. Agent agrees to execute and deliver to AHCP all assignments and financing statements which AHCP may request, and to do all other acts as AHCP may reasonably request in order to evidence this assignment or to perfect the security interest.

AHCP granted Agent's power of attorney, coupled with an interest, with full power and authority to sign Agent's name to any financing statement or other instrument for the purpose of perfecting such security interest. Agents further grant to AHCP, its Carrier, and designated assignee the right to offset any Commissions which may accrue to Agent under the Producer Agreement and agrees that any and all

Commissions which may accrue to Agent under the Producer Agreement shall be applied to the Secured Indebtedness and any debit balances of Sub-Agents of Agent which have been transferred to Agent as provided in the Producer Agreement and Agent Guidelines.

The term "Secured Indebtedness" means all indebtedness and liability of Agents to AHCP, of every kind and character, whether now existing or hereafter incurred, matured or un-matured, direct or contingent, primary or secondary, secured or unsecured, joint and several, absolute or contingent, and whether arising hereunder or otherwise, together with interest thereon, fees and expenses (including, but not limited to, attorneys' fees).