



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: _____

FFM ID: _____ NPN #: _____

Bilingual? ☐ No ☐ Yes Languages spoken other than English _____

UPLINE & COMMISSION

Direct Up-line/ Manager: _____ DP: _____

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

☐ Referral _____

Advance Options: ☐ As Earned

APPOINTMENT INSTRUCTIONS

Appointment Checklist for: **Pivot Health Appointment**

- ☐ Page 1 AHCP Appointment Coversheet (this page)
- ☐ Page 2 Hierarchy Form
- ☐ Page 3-19 SLAICO Forms
- ☐ Page 20 License & Appointment Fees
- ☐ Page 21-28 Companion Life Forms
- ☐ Page 29-34 Pivot Health Producer Agreement
- ☐ Page 35-36 Direct Deposit Authorization/W9 (Commissions paid by AHCP)
- ☐ Page 37-51 AHCP Producer Agreement

Additional Requirements

- ☐ Copy of all current licenses
- ☐ Copy of E&O Insurance Certificate
- ☐ Supporting documentation for any "Yes" answers to background questions

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



HIERARCHY FORM – DIRECT PAY

SECTION 1 – PRODUCER DATA

Producer Name _____ Encrypted TIN # _____

Direct Upline (if not MGA or GA) _____ Producer # _____

MGA/GA _____ America's Health Care/Rx Plan Agency, Inc. _____ Producer # _____

SECTION 2 - PRODUCTS

- Short Term Medical
- Supplemental Gap Plans-Latitude
- PivotCare Limited Medical Benefit Plan

SECTION 3 – ASSIGNMENT OF COMMISSION – *I direct my compensation to be paid as follows:*

Producer/Agency Name _____ America's Health Care/Rx Plan Agency, Inc. _____ SSN/TIN # _____ 02-0690863

Address: _____ 1100 NW Compton Drive Suite 200 _____

City: _____ Hillsboro _____ State: _____ OR _____ Zip: _____ 97006

Producer Signature _____  _____ Date _____

If you have any questions regarding the agent contracting forms please contact Pivot Health at 866-566-2707 or email: phcontracting@pivotohealth.com



Standard Life and Accident Insurance Company
Marketing Office: 2450 South Shore Blvd., Suite 500
League City, TX 77573
Phone: 888.290.1085 Fax: 800.229.7211



AGENT AGREEMENT

The STANDARD LIFE AND ACCIDENT INSURANCE COMPANY (The "Company") is hereby requested to make application to the Department of Insurance of the State of _____ for the issuance of a _____ insurance agent's license/appointment authorizing me to solicit applications on behalf of the Company.

I hereby agree that your consent to the issuance of such license/appointment is subject to, and I hereby agree to be bound by, each and all of the following conditions:

1. That I shall be an agent assigned to the agency of America's Health Care/Rx Plan Agency (the Agency);
2. That the Company has no obligation to me for commissions, expense allowances or any form of compensation whatsoever in connection with the services performed and expense incurred by me in the solicitation of applications for insurance issued by the Company, it being expressly understood that I am under direct contract with the Agency who has agreed to compensate me for such services;
3. That I shall comply with the rules, regulations and rate books of the Company, the laws of the State of _____ and the regulations of the Department of Insurance relating to my activities in the solicitation of insurance;
4. That I shall not alter, modify, waive or change any of the terms, rates or conditions of any advertisements, receipts, policies or contracts of the Company in any respect;
5. That I shall promptly remit to the Agency or the Company any and all monies or securities received by me on behalf of the Company as full or partial payment of first year or renewal premiums, or any other item whatsoever;
6. That I shall not obligate the Company nor incur expense in its behalf in any manner whatsoever;
7. That I shall not attempt systematically to rewrite or replace customers of the Company with other carriers. Should I do so I will forfeit all compensation I would have otherwise been entitled to from the undersigned manager, and my license/appointment with the Company, if still active, shall be revoked immediately; and
8. That the Company may, without liability to me whatsoever upon request of the Agency or upon its own initiative, cancel my license/appointment at any time.

IN WITNESS WHEREOF, I have affixed my signature this _____ day of _____, 20 _____

Applicant's Signature

I, the undersigned authorized representative of Agency, understand that the Company's consent to the issuance of Applicant's appointment is subject to the following certifications and agreements of Agency: 1. I certify that the Agency and I have made a thorough and diligent investigation which has shown that the Applicant is of good moral and business character. 2. Agency agrees and acknowledges that it is responsible for the training and supervision of the Applicant while Applicant engages in the business of insurance for Agency. 3. Agency further agrees that it shall be and remain responsible for the repayment to the Company of any commissions advanced by the Company to the Agency on behalf of the Applicant if the Company determines in its sole discretion that renewal commissions are not sufficient to repay such advances. Any such advanced commissions not repaid within thirty days of the Company's notice to the Agency shall begin accruing interest at a rate to be determined by the Company, not to exceed the maximum rate of interest permitted by law. The Company shall be entitled to recover from the Agency attorneys' fee incurred by the Company in collecting unrepaid advanced commissions hereunder.

America's Health Care/Rx Plan Agency, Inc.

Agency Name



Signature and Title of Agency Representative

Date

Agency Code

STANDARD LIFE AND ACCIDENT INSURANCE COMPANY

Name _____ Social Security Number _____
Date of Birth _____ Maiden or Other Name Used _____ National Producer Number _____
Mailing Address _____ Business Phone Number _____
Home Address _____ Phone Number _____
Former Address _____ FAX Number _____
Spouse's Name _____ Email Address _____

PERSONAL HISTORY: Please answer all questions below with careful thought and be as accurate as possible. A Yes answer won't disqualify you from being appointed; however, an inaccurate answer might! If more space needed - attach separate page.

1. Are you now licensed? (Submit Copy) ☐ YES ☐ NO
State(s) _____
License Number _____ Type of License/Lines _____
2. Has any state ever taken administrative action against your license? ☐ YES ☐ NO
If Yes, name state and provide details: _____
3. Have you ever been refused bond? ☐ YES ☐ NO
If Yes, please give the reason: _____
4. Do you have an open Bankruptcy? ☐ YES ☐ NO
If Yes, give details: _____
5. The Violent Crime and Control Act of 1994 makes it a criminal offense for anyone who has been convicted of any criminal felony involving dishonesty or a breach of trust to willfully engage in the business of insurance.
Have you ever been convicted of a felony? ☐ YES ☐ NO
If Yes, give specifics to charge, date, jurisdiction and outcome on a separate page.
6. Do you now have any tax liens, judgments or garnishments? ☐ YES ☐ NO
If Yes, give details: _____
7. Are you presently indebted to any insurance company or agency? ☐ YES ☐ NO
If Yes, give details: _____
8. a. Are you currently covered by errors and omissions insurance? (Submit Copy) ☐ YES ☐ NO
E & O Carrier _____ Limits _____
Policy Number _____ Effective Date _____ Expiration Date _____
- b. Have you ever filed an errors and omissions claim? ☐ YES ☐ NO

WORK HISTORY: May we contact you at your present place of business? ☐ YES ☐ NO

Present Employer _____	Company Name _____	Supervisor _____	Phone Number _____
Address _____	City, State, Zip _____	Employment Dates _____	
Most Recent Employer _____	Company Name _____	Supervisor _____	Phone Number _____
Address _____	City, State, Zip _____	Employment Dates _____	

REFERENCES: Please give name, address and phone number of two businesses.

Name _____	Address _____	Phone Number _____
_____	_____	_____
_____	_____	_____

I certify that my answers to the above questions are true and authorize the State Insurance Department to release to Standard Life and Accident Insurance Company information within their records concerning me. I hereby authorize an investigative and credit report whereby information is obtained through personal interview; the inquiry usually concerns information on character, general reputation and mode of living. I understand that any information obtained by the Company will be available to me upon my written request. I certify that I have read and agree to comply with Standard Life's Privacy Policy and Code of Conduct. If accepted, I will comply with all regulations of this state and Standard Life and Accident Insurance Company.

Signature _____

Date _____



Standard Life and Accident Insurance Company | American National Life Insurance Company of Texas
Marketing Office: 2450 South Shore Blvd., Suite 500 | League City, TX 77573 | Phone: 888.290.1085 | Fax: 800.229.7211

Producer's Code of Conduct

As a representative of Standard Life and Accident Insurance Company and/or American National Life Insurance Company of Texas, I recognize my responsibility to:

- Conduct myself in the highest character, with honesty, integrity and fairness at all times;
- Provide information to clients in a professional manner which is honest, relevant and designed to meet the client's needs, and appropriate to their circumstances;
- Fully understand and accurately represent the Company's products and services;
- Ensure my personal interests do not conflict with those of clients or the Company;
- Render prompt and quality service, both before and after the sale to clients and their beneficiaries;
- Learn and follow all Company policies and procedures related to my role as a producer;
- Keep informed with respect to applicable laws and regulations and observe them in the practice of my profession;
- Determine that any replacement of life or health insurance or a financial product I am proposing is in the best interest of my client;
- Foster goodwill, courtesy and consideration in the treatment of policyholders and the general public, while maintaining loyalty and respect for the Company;
- Meet all continuing education requirements;
- Adhere to principles of ethical market conduct:
 - Conduct business according to high standards of honesty and fairness and to render that service to my customers which, in the same circumstances, I would demand for myself;
 - Provide competent and customer-focused sales and service;
 - Engage in active and fair competition;
 - Use advertising and sales materials that are clear as to purpose and honest and fair as to content;
 - Provide for fair and expeditious handling of customer complaints and disputes;
 - Maintain a system of supervision that is reasonably designed to achieve compliance with these principles of ethical market conduct.

Representative


Marketing General Agent

Please sign this acknowledgement and return it with your Application for Appointment.

BUSINESS ASSOCIATE AGREEMENT



THIS AGREEMENT (“Agreement”) is effective the _____ day of _____, 20____ by and between _____ (“Business Associate”) and STANDARD LIFE AND ACCIDENT INSURANCE COMPANY (“Company”).

Background

Company is a covered entity under the Health Insurance Portability and Accountability Act of 1996, as amended (the “Act”), the *Standards for privacy of Individually Identifiable Health Information* (the “Privacy Rule”) and the *Security Standards for the Protection of Electronic Protected Health Information* (the “Rule”), promulgated under the Act (the Privacy Rule, Security Rule and the Act are collectively referred to herein as “HIPAA”). In addition, it is the intent of the parties to comply with the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”) of the American Recovery and Reinvestment Act of 2009 (“ARRA”), Pub. L. 111-5, and its regulations.

Company and Business Associate have entered into a business relationship pursuant to an agreement (the “Prime Agreement”) under which, among other things, Company may provide to Business Associate certain protected health information to enable the Business Associate to perform its obligations thereunder (the “Obligations”).

In order for the Business Associate to perform its Obligations, the Privacy Rule and the Security Rule require that Company obtain adequate assurances from Business Associate in the form of a written agreement that contains certain mandatory provisions regarding Business Associate’s use and disclosure of protected health information (as defined in HIPAA) that is created or received for or from Company in connection with Business Associate’s performance of the Obligations (“Company Protected Health Information”).

NOW, THEREFORE, in consideration of the premises, the parties, intending to be legally bound, agree as follows

1. Privacy of Protected Health Information.

- a) **Permitted Use.** Business Associate is permitted to use and disclose Company Protected Health Information only:
- i) in connection with its performance of the Obligations under the Prime Agreement, or
 - ii) for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities, provide that, with respect to disclose of Company Protected Health Information to a third party, either:
 - A) The disclosure is Required by Law; or
 - B) Business Associate obtains reasonable assurance from any person or entity to which Business Associate will disclose Company Protected Health Information that the person or entity will:
 - 1) hold Company Protected Health Information in confidence and use or further disclose Company Protected Health Information only for the purpose for which Business Associate disclosed Company Health Information to the person or entity or as Required by Law; and

- 2) promptly notify Business Associate of any instance of which the person or entity becomes aware in which the confidentiality of Company Protected Health Information was breached.
 - iii) Business Associate will make reasonable efforts to use, disclose, and request only the minimum amount of Company Protected Health Information reasonably necessary to accomplish the intended purpose, except that Business Associate will not be obligated to comply with this minimum necessary limitation if neither Business Associate nor Company is required to limit the use, disclosure or request to the minimum necessary.
 - b) **Prohibition on Unauthorized Use or Disclosure.** Business Associate will neither use nor disclose Company Protected Health Information, except as permitted or required by this Agreement or as permitted or directed by Company or as Required by Law. This Agreement does not authorize Business Associate to use or disclose Company Protected Health Information in a manner that would violate the Privacy Rule or the HITECH Act if done by Company, except as set forth in Section 1(a)(ii).
 - c) **Information Safeguards.**
 - i) Business Associate will develop, implement, maintain, and use industry specific and/or other generally appropriate administrative, technical, and physical safeguards to protect Company Protected Health Information from any use or disclosure in violation of the Privacy Rule.
 - ii) Business Associate will develop, implement, maintain, and use industry specific and/or other generally appropriate administrative, technical, and physical safeguards to protect the confidentiality, integrity, and availability of Electronic Protected Health Information that Business Associate creates, receives, maintains, or transmits on Company's behalf as required by the Security Rule.
 - iii) The information safeguards must meet or exceed the industry specific and/or other generally appropriate minimum standards.
 - iv) If applicable and only if available, Business Associate will provide Company a copy of the most recent SAS70 audit report.
 - d) **Subcontractors and Agents.** Business Associate will require any of its subcontractors and agents, to which Business Associate is permitted to disclose Company Protected Health Information, to provide reasonable assurance that such subcontractor or agent will comply with the same privacy and security safeguard obligations with respect to Company Protected Health Information that are applicable to Business Associate under this Agreement.
 - e) **Prohibition on Sale of Records.** Business Associate shall not directly or indirectly receive remuneration in exchange for any Company Protected Health Information of an individual unless the Company or Business Associate obtained from the individual a valid authorization that includes a specification of whether the Company Protected Health Information can be further exchanged for remuneration by the entity receiving Company Protected Health Information of that individual, except as otherwise allowed under the American Recovery and Reinvestment Act.
2. **Compliance with Transaction Standards.** If Business Associate conducts in whole or part electronic Transactions on behalf of Company for which the Department of Health and Human Services ("DHHS") has established Standards, Business Associate will comply, and will require any subcontractor or agent it involves with the conduct of such Transactions to comply, with each applicable requirement of the Transaction Rule, 45 C.F.R. Part 162. Business Associate shall comply with the National Provider Identifier requirements if, and to the extent, applicable.

3. Individual Rights.

- a) **Access.** Business Associate will, within thirty calendar days following Company's request, make available to Company or, at Company's direction, to an individual (or the individual's personal representative), for inspection and obtaining copies (at Company's expense), Company Protected Health Information about the individual that is in Business Associate's custody or control. If the Company Protected Health Information is held in an Electronic Health Record, then the individual shall have a right to obtain from Business Associate a copy of such information in an electronic format. Business Associate shall provide such a copy to Company or, alternatively, to the individual directly, if such alternative choice is clearly, conspicuously and specifically made by the individual or Company.
- b) **Amendment.** Business Associate will, upon receipt of written notice from Company, promptly amend or permit Company access to amend any portion of Company Protected Health Information, so that Company may meet its amendment obligations under the Privacy Rule.
- c) **Disclosure Accounting.** So that Company may meet its disclosure accounting obligations under the Privacy Rule:
 - i) Business Associate will record information specified in Section 3(c)(iii) below ("Disclosure Information") for each disclosure of Company Protected Health Information, not excepted from disclosure accounting as specified in Section 3(c)(ii) below, that Business Associate makes to Company or to a third party.
 - ii) Business Associate will not be obligated to record Disclosure Information or otherwise account for disclosures of Company Protected Health Information if the Company need not account for such disclosures.
 - iii) With respect to any disclosure by Business Associate of Company Protected Health Information that is not excepted from disclosure accounting by Section 3(c)(ii) above, Business Associate will record the following Disclosure Information as applicable to the type of accountable disclosure made:
 - A) For non-repetitive disclosures of Company Protected Health Information, the Disclosure Information that Business Associate must record for each accountable disclosure is (i) the disclosure date, (ii) the name and (if known) address of the entity to which Business Associate made the disclosure, (iii) a brief description of Company Protected Health Information disclosed, and (iv) a brief statement of the purpose of the disclosure.
 - B) For repetitive disclosures of Company Protected Health Information that Business Associate makes to the same person or entity (including Company), Business Associate may record either (1) the Disclosure Information specified above for each accountable disclosure, or (2) the Disclosure Information specified in Section 3(c)(iii) (A) above for periodicity, or number of the repetitive accountable disclosures, and the date of the last of the repetitive accountable disclosures during the Accounting Period.
 - iv) Business Associate will maintain the Disclosure Information for at least 6 years following the date of the disclosure (3 years for disclosures related to an Electronic Health Record).

Business Associate will make the Disclosure Information available to Company within sixty calendar days following Company's request for such Disclosure Information to comply with an individual's request for disclosing accounting. With respect to disclosures related to an Electronic Health Record, Business Associate shall provide

the accounting directly to an individual making such a disclosure request, if a direct response is requested by the individual. Notwithstanding any other provision of this Agreement, Business Associate needs to provide disclosure accounting related to an Electronic Health Record only as of the effective date of this requirement under the American Recovery and Reinvestment Act.

- d) **Restriction Agreements and Confidential Communications.** Business Associate will comply with any agreement that Company makes that either (i) restricts use or disclosure of Company Protected Health Information or requires confidential communication about Company Protected Health Information, provided that Company notifies Associate in writing of the restriction or confidential communication obligations that Business Associate must follow. Company will promptly notify Business Associate in writing of the termination of any such restriction agreement or confidential communication requirement and, with respect to termination of any such restriction agreement, instruct Business whether any of Company Protected Health Information will remain subject to the terms of the restriction agreement. Effective February 17, 2010 (or such other date specified as the effective date by DHHS), Business Associate will comply with any restriction request if: (i) except as otherwise required by law, the disclosure is to a health plan for purposes of carrying out payment or health care operations (and is not for purposes of carrying out treatment); and (ii) the Protected Health Information pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full.

4. Privacy Obligation Breach and Security Incidents.

a) Reporting.

- (i) Business Associate will report to Company any use or disclosure of Company Protected Health Information not permitted by this Agreement or in writing by Company, along with any Breach of Unsecured Company Protected Health Information. Business Associate will treat the Breach as being Discovered in accordance with HIPAA's requirements. Business Associate will make the report to Company's Privacy Official not more than sixty calendar days after Business Associate learns of such non-permitted use or disclosure. If a delay is requested by law enforcement official in accordance with 45 C.F.R. § 164.412, Business Associate may delay notifying Organization for the time period specified by such regulation. Business Associate's report will at least:
- A) Identify the nature of the Breach or other non-permitted use or disclosure, which will include a brief description of what happened, including the date of any Breach and the date of the discovery of any Breach;
 - B) Identify Company Protected Health Information that was subject to the Breach or other non-permitted use or disclosure, including, if applicable, the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired or disclosed during such Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
 - C) Identify who made the non-permitted use or disclosure and who received the non-permitted disclosure;
 - D) Identify what corrective action Business Associate took or will take to prevent further non-permitted uses or disclosures, to mitigate losses and to protect against any further Breaches;

- E) Identify what steps the individuals who were subject to a Breach should take to protect themselves from potential harm resulting from the breach;
 - F) Provide such other information, including a written report, as Company may reasonably request.
- v) Business Associate will report to Company within thirty calendar days any attempt or successful (A) unauthorized access, use, disclosure, modification or destruction of Company's Electronic Protected Health Information or (B) interference with Business Associate's system operations in Business Associate's information systems, of which Business Associate becomes aware. Business Associate will make this report upon Company's request, except if any such security incident resulted in a disclosure or Breach of Company Protected Health Information or Electronic Protected Health Information not permitted by this Agreement, Business Associate will make the report in accordance with Section 4(a)(i) above.

b) Termination of Agreement.

- i) Company may terminate this Agreement if it determines, in its sole discretion, that Business Associate has breached a material term of this Agreement and, upon written notice to Business Associate of the breach, Business Associate fails to cure the breach within thirty calendar days. Company may exercise this right to terminate by providing Business Associate written notice of termination, stating the failure to cure the breach of the Agreement that provides the basis for the termination. Any such termination will be effective immediately or at such other date specified in Company's notice of termination.
- ii) Either Company or Business Associate may terminate this Agreement if amendment or addition to 45 C.F.R Parts 160-64 affects the obligations under this Agreement of the party exercising the right of termination. The party so affected may terminate this Agreement by giving the other party written notice of such termination at least 90 calendar days before the compliance date of such amendment or addition to 45 C.F.R Parts 160-64.

iii) Obligations on Termination.

- A) Upon termination or other conclusion of this Agreement, Business Associate will, if feasible, return to Company or destroy all of Company Protected Health Information in whatever form or medium. Business Associate will require any subcontractor or agent, to which Business Associate has disclosed Company Protected Health Information as permitted by Section 1(e) of this Agreement, to if feasible return to Business Associate (so that Business Associate may return it to Company) or destroy all of Company Protected Health Information in whatever form or medium held by Business Associate. Business Associate will complete these obligations no later than sixty calendar days following the effective date of the termination or other conclusion of this Agreement.
- B) Business Associate will identify any of Company Protected Health Information, including any that Business Associate has disclosed to subcontractors or agents as permitted by Section 1(e) of this Agreement, that cannot feasibly be returned to Company or destroyed and explain why return or destruction is infeasible. Business Associate will limit its further use or disclosure of such information to those purposes that make return or destruction of such information infeasible. Business Associate will require such subcontractor or agent to limit its further use or disclosure of Company Protected Health Information that such subcontractor or agent cannot

feasibly return or destroy to those purposes that make the return or destruction of such information infeasible. Business Associate will complete these obligations no later than sixty calendar days following the effective date of the termination or other conclusion of this Agreement.

- C) Business Associate's obligation to protect the privacy and safeguard the security of Company Protected Health Information as specified in the Agreement will be continuous and survive termination or other conclusion of this Agreement.

5. General Provisions.

- a) **Inspection of Internal Security Capabilities, Practices, Books and Records.** Business Associate will make its internal security capabilities, practices, books, and records relating to its use, disclosure and security of Company Protected Health Information available to Company and to the DHHS to determine Company's compliance with the Privacy and Security Rules.
- b) **Business Associate External Access to Company Systems.** Should the nature of Business Associate's contract with the Company require Business Associate to access Company's systems and data, there will be no sharing or pooling of logins associated with the Business Associate access. In no event shall Company Protected Health Information be downloaded to personal storage devices of any type for any purpose.
- c) **Definitions.** All capitalized terms that are used but not otherwise defined in this Agreement shall have the meaning specified under HIPAA, including its statute, regulations and other official government guidance. For purposes of this Agreement, Company Protected Health Information encompasses Company's Electronic Protected Health Information.
- d) **Amendment to Agreement.** Upon the effective date of any final regulation or amendment or final regulation promulgated by the DHHS that affects Business Associate's use or disclosure of Company Protected Health Information, this Agreement will automatically be deemed amended such that the obligations imposed on Business Associate remain in compliance with the final regulation or amendment to final regulation, unless Company or Business Associate elects to terminate Agreement in accordance with Section 4(b)(ii).
- e) **No Third Party Beneficiaries.** Nothing in this Agreement shall be construed as creating any rights or benefits to any third parties.
- f) **Prior Agreement Terminated.** This Agreement supersedes any prior agreement of the parties concerning similar subject matter, and such prior agreement is hereby terminated.

IN WITNESS WHEREOF, Company and Business Associate have executed this Agreement the day and year first above mentioned.

BUSINESS ASSOCIATE

STANDARD LIFE AND ACCIDENT
INSURANCE COMPANY

By: _____

By:  _____

William J. Hogan
AVP-Health & HIPAA Compliance

Title: _____



RESPONSIBLE BUSINESS PRACTICES GUIDELINES

PLEASE REVIEW THE ENCLOSED GUIDELINES AND PRODUCER'S CODE OF CONDUCT AS PART OF YOUR APPLICATION FOR APPOINTMENT WITH STANDARD LIFE AND ACCIDENT INSURANCE COMPANY AND/OR AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS. THEY EXPLAIN OUR EXPECTATIONS ABOUT THE WAY WE WILL CONDUCT OUR BUSINESS WITH EACH OTHER AND WITH OUR POLICYHOLDERS. SIGN AND RETURN A COPY OF THE PRODUCER'S CODE OF CONDUCT WITH THE OTHER FORMS YOU COMPLETE IN THE APPLICATION PROCESS.

The Responsible Business Practices Guidelines specified herein (hereafter referred to as “the Guidelines”) clarify the position of Standard Life and Accident Insurance Company and American National Life Insurance Company of Texas (hereafter referred to as “the Company,” “we,” or “our”) on the importance of good market conduct practices in the sale of our life insurance, health insurance and annuity products.

Our Commitment

Standard Life and Accident Insurance Company and American National Life Insurance Company of Texas are committed to adhering to principles of ethical market conduct and requires that our appointed representatives do the same.

Principles:

- ✧ to conduct business according to high standards of honesty and fairness, and to render that service to our customers which, in the same circumstances, we would apply to or demand for ourselves;
- ✧ to provide competent and customer-focused service;
- ✧ to engage in active and fair competition;
- ✧ to provide advertising and sales materials that are clear as to purpose and honest and fair as to content;
- ✧ to provide for fair and expeditious handling of customer complaints and disputes; and
- ✧ to maintain a system of supervision and review that is reasonably designed to achieve compliance with these principles of ethical market conduct.

Interpretation and Compliance

These principles are good business—for you the producer, for the Company, and for our customers—through sound conduct. Compliance with these principles remains our shared goal.

To ensure uniform interpretation of and compliance with these principles, Standard Life and Accident Insurance Company and American National Life Insurance Company of Texas have assigned **Debie Knowles**, Vice President, Marketing, supervisory responsibilities over the creation and maintenance of consistent procedures via which we will implement these principles and monitor compliance.

Putting into place the training component of support for these principles will, in part, be the responsibility of **Debie Knowles**, Vice President, Marketing, as will the oversight on the effectiveness of integrating these principles into the Company’s operation and development.

In addition, we will conduct regular surveys of new policyholders. We expect to gain valuable insight into the types of new products and services we should offer to better meet the policyholders’ objectives. The surveys are also expected to help us determine the areas that are in need of better product explanation and ultimately, producer training.

What happens when things go wrong?

From time to time, you may find yourself in a situation where you become aware of sales activities that you think are questionable, in light of these principles. If this is the case, we have specific people you should notify.

In all events, you can talk to **Debie Knowles**, the head of our Marketing activities. You can reach her at the Marketing Department, at 888.290.1085. Her e-mail address is debie.knowles@slaico.com.

Outside of the Marketing Department, you can contact **Judy Regini**, in Corporate Affairs, at 409.766.6985, or by e-mail, at judy.regini@anico.com.

All market conduct issues will be dealt with to ensure privacy and confidentiality for all parties involved. ***The Company will not tolerate any form of retaliation against anyone who uses this process.***

Here are some examples of the kinds of questionable sales activities we are referring to:

- ✧ use of disparaging statements in a sales presentation i.e., any statements, written or oral, that are untrue, deceptive, misleading or otherwise unlawful with regard to competitors;
- ✧ unfair competition i.e., engaging in inappropriate replacement of existing insurance, disparaging competitors, use of dishonest, false or fraudulent practices to displace a competitor;
- ✧ use of unapproved sales materials, or approved sales materials modified without prior approval;
- ✧ inducing or influencing Standard Life and Accident Insurance Company and/or American National Life Insurance Company of Texas producers to leave its service.

This is obviously not an exhaustive list. It is an indication of the kinds of practices that are not consistent with these principles, insurance laws and regulations, or your Standard Life and Accident Insurance Company and/or American National Life Insurance Company of Texas contracts.

Debie Knowles and Judy Regini are also assigned responsibility for dealing with complaints. ***It is important you refer any complaints from your policyholders to the Company promptly so we can resolve them.*** We have found that complaints do not go away until the customer is fully satisfied.

Many of the things which make policyholders dissatisfied with our services or products are based on misunderstandings or unsuccessful communication. If we can resolve the issue early, we can frequently avoid having them escalate into a full-blown Insurance Department complaint.

At the same time, customers who find that the Company and their agents are genuinely interested in making their perceived problems go away can be a valuable asset to you, both in terms of increased persistency and as a source of referrals.

Replacement

Replacement activity is the focus of scrutiny by both insurance regulators and the ratings agencies which grade our financial condition. These groups are expressing increased concern about perceived abusive practices like “twisting” (inappropriate external replacements) and “churning” (inappropriate internal replacements). As a result of these concerns, we are seeing a move towards detailed replacement forms such as those found in the new NAIC Model Replacement Regulations, already adopted in several states.

The kinds of practices which have aroused concern, and which are considered “replacements” are more broadly defined than just terminating an existing policy when a new one is sold. It also includes things like these:

- ✧ encouraging a policyholder to borrow against current life or annuity policy values to pay for a new one;
- ✧ encouraging a policyholder to place existing coverage under one of the nonforfeiture options (e.g., RPU or ETI) in conjunction with purchasing new insurance;
- ✧ having the benefits under an existing policy reduced or restructured to free up cash flow for a new policy.

Replacement of existing insurance is frequently not in the best interest of either the client or the insurer. These will be some of the concerns:

- ✧ exposure of the client to new contestable and suicide periods;
- ✧ new sales and expense loads;
- ✧ increased age and possible changes in policyholder health;
- ✧ loss of any “grandfathered” policy or tax benefits;
- ✧ potential loss of revenue and surplus to the Company; and
- ✧ potential increased exposure to policyholder complaints.

Because each client’s position is unique, you have to weigh these known costs against potential benefits for the client to determine whether a possible replacement is to their advantage. The best benchmark for judging that is the following:

To conduct business according to high standards of honesty and fairness, and to render that service to our customers which, in the same circumstances, we would apply to, or demand for ourselves.

Replacement of existing insurance, especially life insurance and annuities, should be recommended to a client only when you can clearly and objectively demonstrate the client is better off as a result. This is also consistent with the official **Statement of Policy Regarding Replacements**, adopted by all members of the American National family of companies:

Agents should not advise, suggest, or recommend that an existing life insurance or annuity contract be replaced unless it is in the interests of the customer.



As an insurance producer, your skills and services help our clients achieve financial success and security. Since you are on the front lines of a multi-billion dollar industry, you are in a unique position not only to serve our clients, but also to serve this country by helping prevent money laundering and the financing of terrorist activities.

To comply with new federal anti-money laundering regulations for insurance companies, our family of companies is implementing a detailed anti-money laundering program. You have an important role to play in that program. You may often be in a critical position to obtain information regarding the customer, the customer's source of funds for the products we sell, and the customer's reasons for purchasing an insurance product.

In order to sell individual annuities and life insurance, the Company's anti-money laundering program requires you to:

- Ensure that all information requested on the product application and associated documents is accurate and complete, including the USA PATRIOT Act Notification and Customer Identification Verification form for all non-variable business.
- **Contact the appropriate Anti-Money Laundering (AML) compliance officer if a customer resists providing information.** (See contact information further in this document.)
- Maintain appropriate records of this information as long as the contract remains in force and for five years thereafter.
- Notify the appropriate AML compliance officer if you detect any money laundering red flags, so that the Company can determine whether a suspicious activity report (SAR) must be filed with the U.S. Department of the Treasury or any agency thereof.

Possible Red Flag Activity

- The purchase of a product that appears to be inconsistent with a customer's needs
- The purchase or funding of a product that appears to exceed a customer's known income or liquid net worth
- Any attempted unusual method of payment, particularly by cash or cash equivalents, such as money orders or cashier checks
- Payment of a large amount broken into several smaller amounts
- Little or no concern by a customer for the performance of an insurance product, but much concern about the early termination features of the product
- The reluctance by a customer to provide identifying information, or the provision of information that seems fictitious
- Any other activity which you think is suspicious

AML Contact Information - Report Suspicious Activity To:

Contact: **Judith L. Regini (Judy)**
Assistant Vice President
Corporate Compliance
Chief Compliance Officer for Anti-Money
Laundering /OFAC

Or **Julie Dawson, Quality Assurance Analyst**

Mail: P.O. Box 1896
Galveston, TX 77553

Phone: (800) 933-5975

Fax: (409) 621-3885

Email: AMLCompliance@anico.com

Types of Payments Accepted

Advise customers that only the following types of payment may be accepted:

- Personal checks and pre-authorized checks.
- Cash equivalents (money orders, cashier's checks, traveler's checks, bank drafts.)
 - Cash and cash equivalents must be reported to the IRS and FinCEN on Form 8300 when payments received by the Company in a single transaction. Related transactions occurring within any 12-month period would be aggregated for reporting purposes even if individually they are less than \$10,000.
- ***If a customer provides a form of payment that is not permitted, do not accept the payment and notify the appropriate AML compliance officer if it is in an amount greater than the limits defined herein.***

NOTE: An employee, agent or broker must not, under any circumstances, disclose that he has reported suspicious activity or red flags to the Company. Any inquiries regarding the subject matter of any SAR must be directed to the AML officer.

It is the sole responsibility of the Company's AML officer to determine whether a SAR is filed with the Treasury Department. The AML officer and the Company are prohibited from disclosing to the agent and any other person that a SAR has been filed.

The Company and its producers share an important responsibility to comply with the Company's program and all applicable anti-money laundering laws. A failure to do so will constitute grounds for discipline, up to and including termination. In addition, violation of anti-money laundering laws may expose those responsible to substantial penalties under federal law.

Standard Life and Accident Insurance Company Guide to Anti-Money Laundering

RECEIPT AND ACKNOWLEDGMENT. I have received, read and understand Standard Life's Company Guide to Anti-Money Laundering. I agree to comply with the requirements of such policies and understand that failure to do so will lead to disciplinary action, up to and including termination and appropriate legal sanctions.

Date: _____

Print Name: _____

Personal Code: _____

Signature: _____



AUTHORIZATION

Required by The Fair Credit Reporting Act

The Federal Fair Credit Reporting Act, as amended, provides that any consumer reporting agency may furnish a consumer report in accordance with the written instructions of the consumer to whom it relates.

In accordance with that provision, the person signing this form as "Applicant" hereby authorizes any person or agency to give, in writing, orally, or in any other form, to Standard Life and Accident Insurance Company (SLAICO), American National Insurance Company (ANICO) or American National Life Insurance Company of Texas (ANTEX) or its designated representatives any information gathered or maintained by a consumer reporting agency bearing on the Applicant's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the Applicant's eligibility for credit, employment or any other purpose authorized under Section 604 of the Act.

Further, the Applicant understands that SLAICO, ANICO or ANTEX may, as part of its normal procedure, request that an investigative consumer credit report be made whereby information on the Applicant's character, general reputation, personal characteristics or mode of living is obtained through personal interviews with business associates, employers, friends, neighbors and others with whom the Applicant may be acquainted or who may have knowledge concerning any such items of information. The Applicant authorizes the individual or agency conducting the investigation to give, in writing, orally, or any other form, to SLAICO, ANICO or ANTEX or its designated representatives any information gathered or obtained during this investigation pertaining to Applicant's production, persistency, commissions, earnings, estimated future earnings, commission advances, loans and debts, including, but not limited to, any indebtedness that may have been charged to the Applicant's manager or agency, or which may have been written off.

The Applicant authorizes SLAICO, ANICO or ANTEX or its designated representatives to use the reports furnished in accordance with this authorization in any deliberations which it or they may undertake to determine whether or not SLAICO, ANICO or ANTEX will make an offer of a contract to the Applicant.

For California, Minnesota or Oklahoma Applicants only - If a consumer report is obtained and you would like to receive a copy, please check this box. ☐

For California Applicants only - If public record information is obtained without using a consumer reporting agency, you will be supplied a copy of the public record information unless you check this box waiving your right to obtain a copy of the report. ☐

Applicant's Printed Name

Applicant's Signature

Date



**American National Insurance Company
American National Life Insurance Company of Texas
Standard Life and Accident Insurance Company**

**One Moody Plaza
Galveston, TX 77550**

NOTICE OF PRIVACY POLICY

American National Insurance Company and its affiliated companies are committed to providing insurance and annuity products and services designed to meet your needs. We are equally committed to respecting your privacy and protecting the information about you that we may receive. We have prepared this notice to advise you what information we collect, how we use it and how we protect it.

What Information We Collect

As is an essential part of our business, we obtain certain personal information about you in order to provide a financial product or service to you. Some of the information we receive comes directly from you on applications or other forms, and may include information you provide during visits to our web site. We may also receive information from physicians, testing laboratories and other health providers, and from consumer reporting agencies. The types of information we receive may include addresses, social security numbers, family information, current and past medical history and financial information, including information about transactions with other financial institutions.

What Information We Disclose

We do not disclose nonpublic personal information about our current or former customers to any non-affiliated entity, except as permitted by law. Examples of the disclosures which we are permitted by law to make include: disclosures necessary to service or administer an insurance or annuity product that you requested or authorized; disclosures made with your consent or at your direction; disclosures made to your legal representative; disclosures made in response to a subpoena or an inquiry from an insurance or other regulatory authority; disclosures made to comply with federal, state or local laws and to protect against fraud.

Our Privacy Protection Procedures

We protect information about you from unauthorized access. Our employees and agents receive training regarding our privacy policies, and access to information about you is restricted to those individuals that need such information in order to provide products and services to you. Examples of activities requiring access to personal information include: underwriting, claims processing, reinsurance and policyholder service. Finally, we employ secure technologies in order to safeguard transmission of information about you through our web sites, and we have established and maintain procedures to comply with all state and federal laws and regulations regarding the security of personal information. This notice is for your information and does not require any action on your part.



Standard Life and Accident Insurance Company | American National Life Insurance Company of Texas
Marketing Office: 2450 South Shore Blvd., Suite 500 | League City, TX 77573 | Phone: 888.290.1085 | Fax: 800.229.7211

**INSURANCE ACTIVITIES REQUIRING PERSONS TO BE LICENSED
IN VIRGINIA**

Per the request of the Virginia Bureau of Insurance, I hereby certify, under penalty of perjury under the laws of the State of Virginia, that I have received, read, and understand the information provided to me in reference to the Administrative Letter 2002-8 (discusses the many changes in Virginia laws governing the licensing and other activities of insurance agents, consultants, and other licensees), Administrative Letter 2002-9 (discusses what activities require agents/agencies to be licensed and what activities are and are not permitted for those who are not licensed as insurance agents), and Administrative Letter 2008-03 (Rules Governing Military Sales Practices) found in the Virginia Bureau Insurance Code.

The referenced Administrative Letters and other pertinent Administrative Letters may be located via the Bureau of Insurance website at:

<http://scc.virginia.gov/division/boi/webpages/boiadminltrsforagents.htm>

Date _____

By _____

(Signature)

Print Name _____

(If corporation, please print corporate name & principal of corporation.)

Social Security Number / Tax ID Number _____

Branch Office Number (If known) _____

License & Appointment Fees

STATE	REQUIRED Licenses for Agency Appointments (Agency/Individual)	Appointment Fee	NR Appointment Fee	Simultaneous Submission
ALABAMA	Both	\$40 - Agency & Ind	\$40 - Agency & Ind	Yes
ALASKA	Agency	N/A	N/A	Yes
ARIZONA	Agency	N/A	N/A	Yes
ARKANSAS	Both	N/A	N/A	Yes
CALIFORNIA	Agency	\$29	\$29	Yes
COLORADO	Agency	N/A	N/A	Yes
CONNECTICUT	Both	\$50 - Agency & Ind	\$50 - Agency & Ind	Yes
DELAWARE	Both	\$25 - Agency & Ind	\$25 - Agency & Ind	Yes
DIST. OF COLUMBIA	Agency	\$25	\$25	Yes
FLORIDA	Both	\$60 - Agency & Ind all counties not including FL fee	\$60 (\$6 per county may apply) - Agency & Ind not including FL fee	Yes
GEORGIA	Both	\$14.84	\$14.84	
HAWAII*	Agency	N/A	N/A	Yes
IDAHO	Agency	N/A	N/A	Yes
ILLINOIS	Agency	N/A	N/A	Yes
INDIANA	Agency	N/A	N/A	Yes
IOWA	Individual (Agency license optional)	Retaliatory	Retaliatory	Yes
KANSAS	Agency	\$5	\$5	Yes
KENTUCKY	Agency	\$40	\$50	
LOUISIANA	Agency	\$20	\$20	Yes
MAINE	Both	\$30- Agency & Ind	\$45 - Agency & Ind	Yes
MARYLAND	Agency	N/A	N/A	Yes
MASSACHUSETTS	Agency	\$75	\$75	Yes
MICHIGAN	Both	\$5 - Agency & Ind	\$5 - Agency & Ind	Yes
MINNESOTA	Both	\$30	\$30	Yes
MISSISSIPPI	Both	\$25	\$25	Yes
MISSOURI	Agency	N/A	N/A	Yes
MONTANA	Agency	N/A	N/A	Yes
NEBRASKA	Both	Retaliatory	Retaliatory	Yes
NEVADA	Agency	\$15	\$15	Yes
NEW HAMPSHIRE	Both	\$25 - Agency & Ind	\$25 - Agency & Ind	Yes
NEW JERSEY	Agency	\$25	\$25	Yes
NEW MEXICO	Both	\$20	\$20	Yes
NEW YORK	Agency	N/A	N/A	Yes
NORTH CAROLINA	Both	\$10 life + \$10 health	\$10 life + \$10 health	No
NORTH DAKOTA	Both	\$10 - Agency & Ind	\$10 - Agency & Ind	Yes
OHIO	Both	\$15 life + \$15 health - Agency & Ind	\$15 life + \$15 health - Agency & Ind	Yes
OKLAHOMA	Both	\$30 - Agency & Ind	\$30 - Agency & Ind	Yes
OREGON	Agency	N/A	N/A	Yes
PENNSYLVANIA	Both	N/A	N/A	No
RHODE ISLAND	Individual (Agency license optional)	N/A	N/A	Yes
SOUTH CAROLINA	Both	N/A	N/A	Yes
SOUTH DAKOTA	Both	\$10 - Agency & Ind	\$20 - Agency & Ind	Yes
TENNESSEE	Individual (Agency license optional)	\$15	\$15	Yes
TEXAS	Agency	\$10	\$10	Yes
UTAH	Agency	N/A	N/A	Yes
VERMONT	Individual (Agency license optional)	\$60	\$60	Yes
VIRGINIA	Both	\$10 - Agency & Ind	\$10 - Agency & Ind	Yes
WASHINGTON	Agency	\$20	\$20	Yes
WEST VIRGINIA	Agency	\$25	\$25	No
WISCONSIN	Individual (Agency license optional)	\$16	\$40	Yes
WYOMING	Both	\$15 - Agency & Ind	\$15 - Agency & Ind	Yes
Updated 5/23/17				

APPOINTMENT CONTRACT

INSTRUCTIONS TO BECOME APPOINTED & CONTRACTED WITH COMPANION LIFE INSURANCE COMPANY:

1. All information ***must be*** filled in and this form signed and dated before it can be approved and processed.
2. Attach a photocopy of your current Producer license for all states to be appointed.
3. If Commissions are being paid to an agency, please attach a photocopy of Agency License.
4. If commissions are to be paid to an agency, give Agency Name _____ and Tax ID No: _____.

☐ Mr. ☐ Ms. ☐ Mrs.

LAST NAME: _____ FIRST NAME: _____

MIDDLE NAME: _____ NICKNAME: _____

BUSINESS OVERNIGHT MAILING ADDRESS:

(STREET) (CITY) (STATE) (ZIP)

EMAIL ADDRESS: _____

BUSINESS PHONE: _____ FAX NUMBER: _____

HOME ADDRESS:

(STREET) (CITY) (STATE) (ZIP)

COUNTY: _____

SOCIAL SECURITY NUMBER: _____ DATE OF BIRTH: _____

NATIONAL PRODUCER NUMBER: _____

SEND CORRESPONDENCE TO: ☐ BUSINESS ADDRESS (OR) ☐ HOME ADDRESS

YES NO

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of, or currently charged with, any felony involving dishonesty or breach of trust? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of, or currently charged with, committing a crime involving moral turpitude since becoming licensed? |
| <input type="checkbox"/> | <input type="checkbox"/> | With the exception of credit life and disability insurance agents, are you employed by or associated with any degree, directly or indirectly, a financial institution as defined in section 626.988, F.S.? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of any crime under the Violent Crime Control and Law Enforcement Act of 1994 (18 United States Code, §§1033 and 1034)? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have an outstanding debt with any insurance company? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been bankrupt or insolvent, either personally or professionally? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has an insurance company ever canceled a contract with you for any reason other than lack of production? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever had a complaint filed against you by a state or provincial insurance department? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever had an insurance license denied or revoked by a state or province? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been refused a surety or fidelity bond? |

If the answer to any of these questions is "yes," please provide details on a separate sheet of paper.

By my signature below, I hereby certify that I have reviewed this application and the information contained herein is wholly true, correct and complete to the best of my knowledge and belief. I understand that Companion Life Insurance Company, and or its affiliates or assignees, hereinafter called (the "COMPANY") may conduct information searches to verify the information contained in this application. If any information given to obtain or maintain an appointment is found to be incorrect or incomplete, it will be grounds for rejecting this application or for termination of my appointment at the sole discretion of the COMPANY. The COMPANY retains sole authority to terminate any appointment subject to applicable laws and regulations.

All applicants and appointed agents must comply with all insurance laws, regulations and insurance department bulletins in the jurisdictions in which appointed. The applicant may not use, distribute, or publish any advertisements (as defined by the laws of the jurisdictions for which the applicant is appointed), solicit materials, or proposal, until all state licensing and appointment and/or contract requirements are met, and you have been advised by the COMPANY. Following applicant's notification of the approved appointment by COMPANY, appointed agent may not use, distribute, or publish any advertisements (as defined by the laws of the jurisdictions for which the applicant is appointed), solicit materials, or proposal which has not been filed with and approved in writing by COMPANY. The applicant and approved agent shall not use COMPANY service or trademarks without the prior written consent of COMPANY. The applicant and appointed agent hereby agree to assist and cooperate with COMPANY regarding any and all insurance department inquiries, complaints or investigations.

FAIR CREDIT REPORTING ACT DISCLOSURE

When considering your application for appointment, when making a decision whether to execute an appointment, when deciding whether to continue your appointment (if you are appointed), and when making other appointment related decisions directly affecting you, the COMPANY may obtain and use a "consumer report" from a "consumer reporting agency." These terms are defined in the Fair Credit Reporting Act (FCRA), which applies to you. As an applicant for agent appointment, you are a "consumer" with rights under the FCRA. A "consumer report" is any written, oral or other communication of any information by a "consumer reporting agency" bearing on a consumer's character, general reputation, personal characteristics or mode of living. You may also contact the Federal Trade Commission about your rights under the FCRA as a "consumer" with regard to "consumer reports" and "consumer reporting agencies." You have a right to make a written request, with a reasonable period of time, to receive information about the nature and scope of this investigation.

DATE

AGENT SIGNATURE

DATE APPROVED

COMPANION LIFE INSURANCE COMPANY

*SUMMARY OF PRODUCER APPOINTMENT REQUIREMENTS FOR CURRENTLY LICENSED PRODUCERS				
PRE-APPOINTED STATES				
Georgia (GA)	Montana (MT)	North Carolina (NC)	Pennsylvania (PA)	Washington (WA)
Kansas (KS)		Louisiana (LA)		
NO PRE-APPOINTMENT REQUIREMENTS				
Alabama (AL)	Alaska (AK)	Arkansas (AR)	Arizona (AZ)	California (CA)
Colorado (CO)	Connecticut (CT)	Delaware (DE)	District of Columbia (DC)	Florida (FL)
Hawaii (HI)	Illinois (IL)	Idaho (ID)	Indiana (IN)	Iowa (IA)
Kentucky (KY)	Maine (ME)	Maryland (MD)	Massachusetts (MA)	Michigan (MI)
Minnesota (MN)	Mississippi (MS)	Missouri (MO)	Nebraska (NE)	Nevada (NV)
New Hampshire (NH)	New Jersey (NJ)	New Mexico (NM)	New York (NY)	North Dakota (ND)
Ohio (OH)	Oklahoma (OK)	Oregon (OR)	Rhode Island (RI)	South Carolina (SC)
South Dakota (SD)	Tennessee (TN)	Texas (TX)	Utah (UT)	Vermont (VT)
Virginia (VA)	West Virginia (WV)	Wisconsin (WI)	Wyoming (WY)	



AGREEMENT WITH BUSINESS ASSOCIATE

This Agreement ("BAA") is effective upon execution, and is made by and between **the undersigned Agent/Agency** ("Business Associate") and Companion Life Insurance Company ("Company").

Company and Business Associate mutually agree to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulations (45 C.F.R. Parts 160-64) and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the "HITECH Act"), that are applicable to business associates, along with any guidance and/or regulations issued by DHHS. Company and Business Associate agree to incorporate into this Agreement any regulations issued with respect to the HITECH Act that relate to the obligations of business associates. Business Associate recognizes and agrees that it is obligated by law to meet the applicable provisions of the HITECH Act.

A. Privacy & Security of Protected Health Information and Electronic Protected Health Information.

1. **Permitted Uses and Disclosures.** Business Associate is permitted or required to use or disclose Protected Health Information ("PHI") and electronic PHI it creates or receives for or from Company or to request PHI and electronic PHI on Company's behalf only as follows:
 - a) **Functions and Activities on Company's Behalf.** To perform functions, activities, services, and operations on behalf of Company, consistent with HIPAA, the HITECH Act, and their implementing regulations as specified in the Producer Appointment Agreement.
 - b) **Business Associate's Operations.** Business Associate may use the Minimum Necessary PHI and electronic PHI for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities. Business Associate may disclose the Minimum Necessary PHI and electronic PHI for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities only if:
 - (i) The disclosure is required by law; or
 - (ii) Business Associate obtains reasonable assurance, evidenced by written contract, from any person or organization to which Business Associate will disclose PHI or electronic PHI that the person or organization will:
 - a. Hold such PHI, electronic PHI in confidence and use or further disclose it only for the purpose for which Business Associate disclosed it to the person or organization or as Required by Law; and
 - b. Promptly notify Business Associate (who will in turn promptly notify Company) of any instance of which the person or organization becomes aware in which the confidentiality of such PHI or electronic PHI was breached.
2. **Minimum Necessary and Limited Data Set.** Business Associate's use, disclosure or request of Protected Health Information shall utilize a Limited Data Set if practicable. Otherwise, Business Associate will, in its performance of the functions, activities, services, and operations specified in Section A.1(a) above, make reasonable efforts to use, to disclose, and to request of a Covered Entity only the minimum amount of Company's Protected Health Information reasonably necessary to accomplish the intended purpose of the use, disclosure or request.
3. **Prohibition on Unauthorized Use or Disclosure.** Business Associate will neither use nor disclose PHI or electronic PHI except as permitted or required by this Agreement, as otherwise permitted in writing by Company, or as required by law. This Agreement does not authorize Business Associate to use or disclose PHI or electronic PHI in a manner that would violate the requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-64) or the HITECH Act and its implementing regulations, if done by Company, except as set forth in Section A(1)(b).
4. **Sale of PHI:** Business Associate shall not directly or indirectly receive remuneration in exchange for PHI except where permitted by the Agreement and consistent with applicable law.
5. **Marketing:** Business Associate shall not directly or indirectly receive payment for any use or disclosure of PHI for marketing purposes except where permitted by the Agreement and consistent with applicable law.
6. **Fundraising:** Business Associate shall not use or disclose PHI for fundraising purposes except where permitted by the Agreement and consistent with applicable law.

7. **Genetic Information:** Business Associate shall not use or disclose genetic information to the extent prohibited by 45 C.F.R. § 164.502(a)(5)(i).
8. To the extent that Company and Business Associate agree that Business Associate is to carry out Company's or its clients' obligations under 45 C.F.R. Part 164, Subpart E (the Privacy Rule), Business Associate shall comply with the requirements of the Privacy Rule that apply to Company or its clients in the performance of such obligation. In addition, Business Associate shall comply with the applicable requirements of 45 C.F.R. Part 164, Subpart C. This provision shall not be interpreted to limit the generality of any other provision of this Agreement.
9. **Information Safeguards.** Business Associate will develop, document, implement, maintain, and use appropriate administrative, technical, and physical safeguards, in compliance with Social Security Act § 1173(d) (42 U.S.C. § 1320d-2(d)), 45 C.F.R. Part 164, Subparts C & E, and any other implementing regulations issued by the U.S. Department of Health and Human Services (including, but not limited to, CMS Core Security Requirements, if applicable), and any other applicable laws. The safeguards will be designed to preserve the integrity, availability and confidentiality of electronic PHI, and to prevent intentional or unintentional non-permitted or violating use or disclosure of, PHI. Business Associate will additionally develop any safeguards to the extent required by the HITECH Act. Business Associate will document and keep these safeguards current. Business Associate agrees to mitigate any harmful effect that is known to the Business Associate resulting from a use or disclosure of PHI or electronic PHI by the Business Associate or its subcontractors in violation of the requirements of this Agreement.
10. **Subcontractors and Agents.** Business Associate will require any of its subcontractors and agents, to which Business Associate is permitted by this Agreement or in writing by Company to disclose PHI and electronic PHI, to provide reasonable assurance, evidenced by written contract, that such subcontractor or agent will comply with the same privacy and security obligations as Business Associate with respect to such PHI and, electronic PHI.

B. Compliance with Standard Transactions. If Business Associate conducts, in whole or part, Standard Transactions for or on behalf of Company, Business Associate will comply, and will require any subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into, any Trading Partner Agreement in connection with the conduct of Standard Transactions for or on behalf of Company that:

1. Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
2. Adds any data element or segment to the maximum defined data set;
3. Uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or
4. Changes the meaning or intent of the Standard Transaction's implementation specification.

C. Individual Rights.

1. **Access.** Business Associate will, within five (5) business days after Company's request, make available to Company or, at Company's direction, to the individual (or the individual's personal representative) for inspection and obtaining copies any PHI and electronic PHI about the individual that is in Business Associate's custody or control, so that Company may meet its access obligations under 45 C.F.R. § 164.524 and, where applicable, the HITECH Act. Business Associate shall make such information available in an electronic format where directed by Company.
2. **Amendment.** Business Associate will, upon receipt of notice from Company, promptly amend or permit Company access to amend any portion of the PHI and electronic PHI, so that Company may meet its amendment obligations under 45 C.F.R. § 164.526.
3. **Disclosure Accounting.** So that Company may meet its disclosure accounting obligations under 45 C.F.R. § 164.528:
 - a) **Disclosure Tracking.** Business Associate will record information concerning each disclosure of PHI or electronic PHI, not excepted from disclosure tracking under Agreement Section C.3(b) below, that Business Associate makes to Company or a third party. The Disclosure Information Business Associate will record includes: (i) the disclosure date; (ii) the name and (if known) address of the person or entity to whom Business Associate made the disclosure; (iii) a brief description of the PHI or electronic PHI disclosed; and (iv) a brief statement of the purpose of the disclosure (items i-iv, collectively, the "disclosure information"). Business Associate further shall provide any additional information to the extent required by the HITECH Act and any

accompanying regulations. For repetitive disclosures Business Associate makes to the same person or entity for a single purpose, Business Associate may provide (x) the disclosure information for the first of these repetitive disclosures; (y) the frequency, periodicity or number of these repetitive disclosures; and (z) the date of the last of these repetitive disclosures.

Business Associate will make this disclosure information available to Company within ten (10) business days after Company's request.

- b) Exceptions from Disclosure Tracking. Business Associate need not record disclosure information or otherwise account for disclosures of PHI or electronic PHI that this Agreement or Company in writing permits or requires (i) for purposes of Treating the individual who is the subject of the PHI or electronic PHI disclosed, payment for that Treatment, or for the Health Care Operations of Company or Business Associate (except where such recording or accounting is required by the HITECH Act, and as of the effective dates for this provision of the HITECH Act); (ii) to the individual who is the subject of the PHI or electronic PHI disclosed or to that individual's personal representative; (iii) pursuant to a valid authorization by the person who is the subject of the PHI or electronic PHI disclosed; (iv) to persons involved in that individual's health care or Payment related to that individual's health care; (v) for notification for disaster relief purposes; (vi) for national security or intelligence purposes; (vii) as part of a Limited Data Set; or (viii) to law enforcement officials or correctional institutions regarding inmates or other persons in lawful custody.
 - c) Disclosure Tracking Time Periods. Unless otherwise provided under the HITECH Act, Business Associate must have available for Company the disclosure information required by Agreement Section C.3(a) for the six (6) years preceding Company's request for the disclosure information. In addition, where Business Associate is contacted directly by an individual based on information provided to the individual by Company, and where so required by the HITECH Act and/or any accompanying regulations, Business Associate shall make such Disclosure Information available directly to the individual.
4. **Restriction Requests; Confidential Communications.** Business Associate shall immediately notify Company's Privacy Officer of any individual request made pursuant to 45 C.F.R. § 164.522 that Company or Business Associate restrict the disclosure of protected health information of the individual. Business Associate will comply with any requests for restriction requests and confidential communications of which it is aware and to which Company agrees pursuant to 45 C.F.R. § 164.522 (a) and (b).
5. **Inspection of Books and Records.** Business Associate will make its internal practices, books, and records, relating to its use and disclosure of PHI or electronic PHI, available to Company and to the U.S. Department of Health and Human Services to determine compliance with 45 C.F.R. Parts 160-64 or this Agreement.

D. Breach of Privacy & Security Obligations.

1. **Breach.** Business Associate will report to Company any use or disclosure of PHI or electronic PHI not permitted by this Agreement or by Company in writing. Business Associate will make the report to Company's Privacy Officer within three (3) business days after Business Associate knew or by the exercise of reasonable diligence should have known of such non-permitted use or disclosure. In addition, Business Associate will report, following discovery and without unreasonable delay, but in no event later than three (3) business days following discovery, any "Breach" of "Unsecured Protected Health Information" as these terms are defined by the HITECH Act and any implementing regulations, even if Business Associate deems the unauthorized acquisition, access or use to be in good faith, unintentional or inadvertent and even if Business Associate deems the risk of harm posed to the individuals involved to be insignificant. Business Associate shall cooperate with Company in investigating the Breach and in meeting the Company's obligations under the HITECH Act and any other security breach notification laws.

Any such report shall include the identification (if known) of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach. Business Associate's report will, at a minimum:

- a) Identify the nature of the non-permitted access, use or disclosure, including the date of the Breach and the date of discovery of the Breach;
- b) Identify the PHI or electronic PHI accessed, used or disclosed as part of the Breach (e.g. full name, social security number, date of birth, etc.);
- c) Identify who made the non-permitted or violating access, use or disclosure and who received the non-permitted disclosure;

- d) Identify what corrective action Business Associate took or will take to prevent further non-permitted access, uses or disclosures;
 - e) Identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted access, use or disclosure; and
 - f) Provide such other information, including a written report, as Company may reasonably request.
2. **Security Incident.** Business Associate will additionally report to Company as requested by the Company any attempted or successful (a) unauthorized access, use, disclosure, modification, or destruction of Company's electronic PHI of which Business Associate becomes aware, or (b) interference with system operations in Business Associate's Information System containing Company's electronic PHI ("Security Incident") of which Business Associate becomes aware. If the Security Incident resulted in an unauthorized access, use, or disclosure, then a written report shall be provided according to the timeline and content requirements in Section D.1 above.
3. **Mitigation.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect resulting from any Breach or attempted or successful Security Incident. In addition, Business Associate shall cooperate with and implement any reasonable mitigation requests by Company relating to any Breach or attempted or successful Security Incident. Any mitigation performed pursuant to this Section shall be done at Business Associate's expense.

E. General Provisions.

1. Termination of Agreement.

- a) **Right to Terminate for Breach.**
 - (i) Company may terminate Agreement if it determines, in its sole discretion, that Business Associate has breached any provision of this Agreement. Company may exercise this right to terminate Agreement by providing Business Associate written notice of termination, stating the breach of the Agreement that provides the basis for the termination. Any such termination will be effective immediately or at such other date specified in Company's notice of termination. If for any reason Company determines that Business Associate has breached the terms of this Agreement and such breach has not been cured, but Company determines that termination of the Agreement is not feasible, Company may report such breach to the U.S. Department of Health and Human Services.
 - (ii) Business Associate may terminate Agreement if it determines, after reasonable consulting with Company, that Company has breached any material provision of this Agreement and upon written notice to Company of the breach, Company fails to cure the breach within thirty (30) days after receipt of the notice. Business Associate may exercise this right to terminate Agreement by providing Company written notice of termination, stating the failure to cure the breach of this Agreement that provides the basis for the termination. Any such termination will be effective upon such reasonable date as the parties mutually agree. If Business Associate reasonably determined that Company has breached a material provision of this Agreement and such breach has not been cured, but Business Associate and Company mutually determine that termination of the Agreement is not feasible, Business Associate may report such breach to the U.S. Department of Health and Human Services.
- b) **Obligations upon Termination.**
 - (i) **Return or Destruction.** Upon termination, cancellation, expiration or other conclusion of Agreement, Business Associate will, if feasible, return to Company or destroy all PHI and electronic PHI in whatever form or medium (including any electronic medium) and all copies of any data or compilations derived from and allowing identification of any individual who is a subject of PHI and electronic PHI. Company will determine, in its sole discretion, whether Business Associate will destroy or return such PHI and electronic PHI. Business Associate will complete such return or destruction as promptly as possible, but not later than ten (10) business days after the effective date of the termination, cancellation, expiration or other conclusion of Agreement. All costs related to the Business Associate's return or destruction of PHI and electronic PHI will be paid by the Business Associate. Business Associate will identify any PHI and electronic PHI that cannot feasibly be returned to Company or destroyed. Business Associate will limit its further use or disclosure of that PHI and electronic PHI to those purposes that make return or destruction of that PHI and electronic PHI infeasible. Within ten (10) business days after the effective date of the termination, cancellation, expiration or other conclusion of Agreement, Business Associate will (a) certify on oath in writing to Company that such return or destruction has been completed, (b) deliver to Company the identification of any PHI and electronic PHI for which return or destruction is infeasible,

- and (c) certify that it will only use or disclose such PHI and electronic PHI for those purposes that make return or destruction infeasible.
- (ii) Continuing Privacy Obligation. Business Associate's obligation to protect the privacy of the PHI and electronic PHI it created or received for or from Company will be continuous and survive termination, cancellation, expiration or other conclusion of Agreement.
- c) Other Obligations and Rights. Business Associate's other obligations and rights and Company's obligations and rights upon termination, cancellation, expiration or other conclusion of Agreement will be those set out in the Agreement.
2. **Indemnity**. Each party (the "Indemnifying Party") will indemnify and hold harmless the other (the "Indemnified Party") and any Indemnified Party affiliate, officer, director, employee or agent from and against any reasonable expenses, including, without limitation, judgments, settlements, penalties, assessments, reasonable attorney's fees and costs, incurred as a direct result of a third-party claim arising out of or in connection with a breach of this Agreement by the Indemnifying Party or any subcontractor, agent, person or entity under the Indemnifying Party's control. This duty of indemnity is contingent upon the Indemnified Party giving the Indemnifying Party the following: (a) prompt notice of the third-party claim; (b) an opportunity to exercise sole control over the defense and/or settlement of the third-party claim, provided that the Indemnifying Party shall secure the Indemnified Party's advance, written consent to any settlement; and (c) reasonable assistance in the defense and/or settlement of the third-party claim.
3. **Definitions**. With respect to any information created, received, maintained, or transmitted by Business Associate from or on behalf of Company or another business associate of Company ("Company Information"), the following definitions apply:
- a) The capitalized terms "Covered Entity," "Electronic Protected Health Information ("electronic PHI" or "ePHI") shall be construed to be "Electronic Protected Health Information", "Protected Health Information" ("PHI" shall be construed to be "Protected Health Information"), "Standard," "Trading Partner Agreement," and "Transaction" have the meanings set out in 45 C.F.R. § 160.103.
- b) The term "Standard Transactions" shall have the meaning set out in 45 C.F.R. § 162.103. The term "Minimum Necessary" shall have the meaning set out in 45 C.F.R. § 164.502.
- c) The term "Required by Law" has the meaning set out in 45 C.F.R. § 164.103.
- d) The terms "Health Care Operations," "Payment," "Research," and "Treatment" have the meanings set out in 45 C.F.R. § 164.501.
- e) The term "Limited Data Set" has the meaning set out in 45 C.F.R. § 164.514(e). The term "use" means, with respect to PHI, utilization, employment, examination, analysis or application within Business Associate.
- f) The terms "disclose" and "disclosure" mean, with respect to PHI, release, transfer, providing access to or divulging to a person or entity not within Business Associate.
- g) Any other capitalized terms not identified here shall have the meaning as set forth in 45 Code of Federal Regulations ("C.F.R.") Parts 160-64 for the Administrative Simplification provisions of Title II, Subtitle F of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), or in the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the "HITECH Act").
4. **Owner of Protected Health Information**. Company is the exclusive owner of PHI and electronic PHI generated or used under the terms of the Agreement or this Agreement.
5. **Amendment to Agreement**. Upon the effective date of any final regulation or amendment to final regulations promulgated by the U.S. Department of Health and Human Services with respect to PHI, electronic PHI or Standard Transactions, this Agreement will automatically amend such that the obligations they impose on Business Associate remain in compliance with these regulations.
6. **Disclosure of De-identified Data**. The process of converting PHI or electronic PHI to De-identified Data ("DID") is set forth in 45 C.F.R. § 164.514. In the event that Company provides Business Associate with DID, Business Associate shall not be given access to, nor shall Business Associate attempt to develop on its own, any keys or codes that can be used to re-identify data.

7. **Creation of De-identified Data.** In the event Business Associate wishes to convert PHI or electronic PHI to DID, it must first subject its proposed plan for accomplishing the conversion to Company for Company's approval, which shall not be unreasonably withheld.
8. **Intent.** The parties agree that there are no intended third party beneficiaries under this Agreement.
9. **Business Associate Guidance.** Business Associate shall comply with any reasonable written policy, procedure or guidance concerning access to PHI for healthcare operations (as that term is defined in 45 C.F.R. Part 164) that is given by Companion Life Insurance Company to Business Associate.

IN WITNESS WHEREOF, Company and Business Associate execute this Agreement in multiple originals to be effective on the last date written below.

Print Agency/Agent Name

By: _____

Printed Name: _____

SSN: _____

Title: _____

Date: _____

Companion Life Insurance Company

By:  _____

Printed Name: J. Philip Gardham

Title: President

Date: _____



PRODUCER AGREEMENT

Producer's Name: _____ Producer Number: _____ Date _____

- 1) **Definitions.** The following terms have the following meanings in this Producer Agreement:
 - a) "Payor" means an insurance carrier issuing an insurance policy or certificate of coverage under which insurance benefits are provided that has engaged PivotHealth Holdings, LLC to provide administrative or marketing services related to such policy or certificate of coverage.
 - b) "Company" means PivotHealth Holdings, LLC and any of its Affiliates, and/or its designee as applicable.
 - c) "Affiliates" means any other entity controlling, controlled by, or under common control with Company.
 - d) "Agreement" means this Agreement and any schedule, appendix or supplement that may be included as part of this Agreement now or in the future.
 - e) "Producer" means the person authorized to solicit and procure applications for the insurance programs administered by the Company who is named above and who executed this Agreement.
 - f) "Sub-producer" means an individual employed by or under contract with a Producer to solicit, negotiate, sell or place insurance business.
- 2) **Solicitation.** Subject to the authority granted to Company by each Payor, Company hereby authorizes Producer to solicit and procure applications for the insurance programs identified in each schedule attached hereto, on a non-territorial, non-exclusive basis, subject to the terms and conditions of this Agreement.
- 3) **Relationship of the Parties.** Company and Producer each agree that:
 - a) Producer is an independent contractor and this Agreement does not create a relationship of employer/employee, principal/agent, or any other similar relationship between Company and the Producer.
 - b) Producer acknowledges that he/she is not to be considered an agent or representative of Company or Payor and that he/she will not expressly or impliedly represent himself/herself as such.
 - c) Except where state law requires otherwise, Producer is an independent insurance agent representing Producer's clients.
- 4) **Producer's Responsibilities.** Producer agrees to:
 - a) Solicit applications for insurance policies and certificates of coverage issued by Payor or Company on behalf of Payor; assist applicants to truthfully and accurately complete their respective applications for insurance coverage; and submit such applications to Company promptly upon receipt of such applications from applicants.
 - b) Remit all gross premiums and/or policy fees received or collected by Producer promptly to Company with a full and detailed statement.
 - c) Refrain from accepting any premium from any applicant or insured with the exception of the initial premium and applicable fees collected with the application for coverage.
 - d) Strictly comply with all underwriting rules, regulations and instructions contained in the rate books, manuals or any other written material of any Payor with which Producer is appointed, and to observe and comply with the insurance laws and regulations of the state or states in which Producer operates. In the event there is a dispute between the parties hereto as to the interpretation of Payor's regulations or instructions, Company in its sole discretion shall resolve any such dispute.
 - e) Provide prompt, courteous service to certificate / policy holders.
 - f) Pay (without reimbursement from Company) all Producer license fees and/or any other related fees or taxes whether billed to Company or Producer.
 - g) Provide Company with evidence of E & O coverage in such amounts and with such carriers as is reasonably acceptable to Company, if requested to do so.

112 E. Lincoln Ave. Fergus Falls, MN
56537
Phone 866-566-2707 Fax 218-739-3832
Email Address -
phcontracting@pivotohealth.com

- h) Obtain prior written or electronic approval from Company of all marketing materials, application forms, and advertising, used by Producer in connection with this Agreement.
- i) Remit an annual administrative processing fee to Company in the amount of \$20.00. Company may deduct this annual administrative processing fee automatically from Producer's commissions.
- j) Maintain current mailing address and contact information for Company's benefit.
- k) Keep records in such form as is reasonably required by Company and/or required under applicable laws and regulations.

5) **Restrictions on Producer's Authority.** Producer agrees that Producer has no authority and will not:

- a) Bind Company or any Payor by any promise or agreement, or incur any debt, expense, or liability whatever in its name or account, or waive any of the provisions of policies administered by Company.
- b) Waive, alter, or modify any question on any application; permit any applicant to inaccurately answer any question on any application; instruct any applicant not to disclose any particular medical condition on the application; or notify an applicant that Producer has the authority to alter the terms of an insurance policy or certificate of coverage.
- c) Pay or allow or offer to pay or allow, as an inducement to any proposed insured, any rebate of premium or consideration or any inducement not specified in the policy or allowed by law.

6) **Representations and Warranties.** Producer represents and warrants as follows:

- a) Producer is currently licensed to solicit and procure applications for insurance policies and certificates of coverage in the jurisdiction in which Producer will perform such functions and will maintain such license during the term of this Agreement.
- b) Producer will comply with all statutes, regulations and administrative bulletins related to Producer's performance of Producer's responsibilities hereunder.

7) **Materials and Records**

- a) All Company materials provided to Producer, including, without limitation, programs, manuals, tapes, guidelines and any other information pertaining to Company's marketing methods, leads, or the products of Payors with which the Producer is appointed, or their content, if developed by Company, shall remain the sole and exclusive property of Company.
- b) Producer's accounts, ledger, correspondence and other records pertaining to this Agreement shall be retained by Producer as required by applicable law, and open for inspection by authorized representatives of Company.
- c) The parties agree that information and materials described in this section and otherwise provided by Company derive independent economic value from not being generally known to other persons, and thereby constitute trade secrets. As such, Producer agrees to maintain the confidentiality of such information and materials, except where such materials are designed for release to other persons.

8) **Compensation.** Company and Producer each agree that:

- a) Company will pay compensation to Producer on behalf of Payors in accordance with the Compensation Schedule(s) attached hereto.
- b) Company may, upon 30 days prior written notice, change or terminate said Compensation Schedule(s), or add additional new policy forms or requirements and establish the rates of compensation thereon, or withdraw forms.
- c) Commission, as defined in the Compensation Schedule(s), is vested and payable after termination of this Agreement until the earlier of a) three years from the date of termination of this Agreement, or b) the date on which the monthly compensation amount due is less than \$24.
- d) The schedule of any renewal compensation set forth on the Compensation Schedule(s) begins with the second policy year and is applicable thereafter as long as this Agreement is in full force and effect and Producer is recognized as the agent of record by the policy holder.
- e) Producer must be appropriately licensed in the state in which coverage is issued and must remain appropriately
- f) licensed in order to receive compensation related to the solicitation, procurement or sale of insurance policies and certificates of coverage.

- g) Company will not issue payment to Producer for compensation less than \$24. The compensation balance will be retained by Company until amount payable exceeds the \$24 minimum.
- h) If Company for any reason refunds any premium or part of a premium on any policy, any compensation paid Producer on the amount refunded shall be repaid to Company by Producer.
- i) Company may offset against any compensation due Producer hereunder (including, without limitation, any commissions and/or other compensation) any amounts due Company or Affiliates which may become due at any time from Producer, and such amounts shall be a first lien against the compensation due Producer under this Agreement.
- j) Producer may not assign the compensation accruing under this Agreement or any interest therein except with the prior written consent of Company, and any assignment by Producer shall always be subject to the lien provided for in the preceding paragraph, whether for debts or liabilities existing at the time of assignment or thereafter arising.
- k) In the event that this Agreement is terminated pursuant to Section 10 or any condition set forth in Section 10 (b)(iv) or (v) (vi) therein occurs after termination, all of Producer's rights under this Agreement, including Producer's rights to any compensation to which Producer might otherwise become entitled shall terminate effective as of the termination of this Agreement.
- l) Compensation received during a calendar year will be reflected on that year's annual 1099 tax form provided to Producer by Company.

9) **Indebtedness.** Company and Producer each agree that:

- a) Pursuant to the execution of this Agreement and for value received, Producer hereby promises and agrees to repay Company in full any indebtedness resulting from any and all special advances, charge-backs, dues, interest or any other charges owed by Producer to Company. Company has the right to charge and collect interest on debit balances attributable to and owed by Producer. Company, its successors and/or assigns, is hereby granted a complete, unconditional, and automatic first lien on any monies due or to become due under this Agreement and Company may deduct such amounts from any monies due Producer as provided in Section 8 (g) hereof.
- b) It is agreed that the unpaid balance owed shall accrue interest at the interest rate set forth in the attached Compensation Schedule. Company reserves the right to adjust the interest rate upon 30 days advance notice.
- c) Producer hereby unconditionally guarantees to Company the full and timely payment of any and all moneys owed to Company by any Sub-producers of Producer whether directly or indirectly contracted with Company and/or appointed where Producer is receiving a commission override.
- d) Upon termination of this Agreement for any reason, Producer agrees to immediately pay any debit balance owed to Company, in full, upon demand by Company. After the debit balance has been fully satisfied, the remainder of any Producer commissions or service fees will be paid to Producer as earned.
- e) The Company reserves the right, without limitation or notice, to modify or terminate the amount of any advance commission paid to Producer.
- f) This entire Section 9 shall survive the termination of this Agreement. It is further agreed that in the event it becomes necessary to enforce payment of this indebtedness through legal action, Producer agrees to bear the reasonable legal expenses, attorney fees and court costs incurred by Company.

10) **Termination.** Company and Producer each agree that:

- a) This Agreement, together with any addenda hereto, shall continue until terminated by either party pursuant to this section.
- b) This Agreement, together with any addenda hereto, shall terminate:
 - i) Thirty days following written notice by either party mailed to the last known address of such other party.
 - ii) Automatically without any notice upon Producer's death, or total permanent disability.
 - iii) Automatically at time of appointment renewal if the Producer has not placed any new business with Company in the last 12 months.
 - iv) Immediately upon notice from Company to Producer for any act of dishonesty, fraud or breach of any of the terms of this Agreement as determined at the Company's sole discretion.

- v) Automatically without any notice upon revocation, termination or non-renewal of Producer's license.
- vi) If attempt is made by Company to contact Producer in writing or via e-mail at last known mailing or e-mail address and Producer fails to reply within 60 days of such attempt, in which event Company shall have the right to retain all future commissions of such Producer and such Producer shall forfeit any and all right to such commissions.

- 11) **Assignment.** No assignment of this Agreement or of any compensation due or to become due shall be valid unless approved in advance in writing by Company. Any assignment shall be subject to any existing or future indebtedness to Company by Producer.
- 12) **Agent Appointment.** Producer is responsible for costs associated with his/her appointment as determined by each Payor. Company will not pay or advance on behalf of Producer such fees to any Payor. Producer agrees to pay for all such required appointment and / or state fees prior to appointment.
- 13) **Liability.** Producer shall indemnify Company for, and hold Company harmless against, any and all claims, actions, liabilities, losses, damages of any nature, whether compensatory or punitive, judgments, awards, or settlements, charges and expenses, including court costs and attorney's fees, that Company may at any time sustain or incur by reason of any unlawful or negligent act or omission of Producer, and any misrepresentation by Producer, or any breach by Producer of the terms of this Agreement.
- 14) **Confidentiality.** Producer agrees to protect the confidentiality of protected health information in accordance with Exhibit A which is attached hereto and incorporated herein.
- 15) **Company Rights** Company specifically reserves the right to:
- a) Cease doing business in any state upon 30 days' prior written notice to Producer.
 - b) Approve all transfers of reporting hierarchies prior to the effective date of the requested change.
 - c) Discontinue or withdraw any plan of insurance.
 - d) Amend this Agreement with 30 days notice at Company's sole discretion.
- 16) **Indemnification.** Producer shall indemnify and hold Company, Payor, and any of their employees, officers, directors, agents or representatives (collectively, the "Indemnified Parties") harmless from and against any and all liabilities, damages, claims, costs and expenses, including, without limitation, reasonable fees and disbursements of counsel, arising in connection with, or incident to any breach or violation of any covenant or agreement contained in this Agreement or otherwise arising out of any of the transactions contemplated by this Agreement. Producer shall notify Company in writing within five (5) days of Producer becoming aware of any legal or administrative proceeding that involves or could potentially involve an Indemnified Party in any manner whatsoever. Company may, in its sole and absolute discretion, determine whether to defend or settle any such claim. Company will be entitled to offset any losses that are the subject of pending or unresolved indemnification claims against any and all payments due to Producer pursuant to this Agreement.
- 17) **Special Terms-Restriction.** By contracting to sell health insurance coverage from the Pivot Health or PivotCare website, any promotion that mentions either site could naturally be perceived by the public or press to be a joint effort. Due to this, there are certain guidelines and restrictions that must be followed when creating marketing links and promotions to Pivot Health.

All marketing and promotion of Pivot Health or PivotCare must be approved by a senior Pivot Health team member. Marketing promotion and materials may include, but are not limited to, website links, flyers, training materials, brochures, business cards, etc. that include information pertaining to Pivot Health or PivotCare.

We may cancel your producer's agreement if we determine that your website is unsuitable, including if:

- a) Includes "Pivot Health" or "PivotCare" or any variations or spellings in its name or domain names.
- b) Includes any material which infringes on any copyrights, trademarks, or intellectual properties owned by Pivot Health.
- c) Your site is built in a manner that resembles Pivot Health, PivotCare or leads customers to believe you are Pivot Health, PivotCare or any another other affiliate company.
- d) Your website duplicates any content that resides on Pivot Health or PivotCare including all web page content and blog content.
- e) Your site uses, among other keywords or exclusively, keywords such as "Pivot Health", "PivotHealth.com", "PivotCare" "PivotCareHealth.com" and/or any other variations or misspellings and do not direct the traffic from such campaigns to the broker's own website before redirecting to Pivot Health.

Any violation listed above will be considered trademark violators and will be banned from selling through the Pivot Health or PivotCare website. Pivot Health reserves the right to take legal action to protect its trademark, copyright, confidentiality provisions and proprietary content. Pivot Health may, at any time, review your broker website and approve the use of your links and require that you change the use or placement in order to comply with the terms and guidelines provided to you.

- 18) **Applicable Law and Venue.** This Agreement shall be governed by the laws of the State of Arizona, without regard to conflicts of law principles, and any interpretation of the language, intent, performance or obligation of this Contract shall be determined in accordance with the laws of the State of Arizona. This Contract is performable in Maricopa County, Arizona, and any suit, action or proceeding by either party to this Agreement must be initiated and brought in Maricopa County, Arizona. All sums or amounts due or to become due to either party hereto are payable in Phoenix, Arizona.

Arbitration. Except as otherwise set forth herein, all disputes, controversies, or differences, whether arising or commencing during or subsequent to the term hereof, which may arise among the parties out of or in relation to or in connection with this Agreement which cannot be settled among the parties pursuant to the terms of this Agreement (including postponing settlement of such issue) shall be settled by arbitration in Phoenix, Arizona, before an arbitrator of the American Arbitration Association in accordance with the commercial arbitration rules of the American Arbitration Association.. Such arbitration shall be final and binding and shall be limited to an interpretation and application of the provisions of this Agreement. Any arbitration award shall be enforceable in any court, wherever located, having jurisdiction over the party against whom the award was rendered. With respect to any such arbitration or enforcement proceedings, each party thereto shall bear its respective attorneys' fees and all other costs and expenses associated with such arbitration, except as otherwise provided by law or rule and as directed by the arbitrator.

19) **Entire Agreement.** Producer understands and agrees that:

- a) This Agreement is the entire agreement between the parties hereto and supersedes any and all previous contracts and agreements between Producer and Company.
- b) This Agreement is effective as of the date executed by Company below.
- c) Any schedule, appendix or supplement issued at a later date shall become effective at such later date as specified.
- d) Failure of Company to insist upon strict compliance with any of the conditions of this Agreement shall not be construed as a waiver of such conditions, but they shall continue to be in full force and effect.
- e) No oral promises or representations shall be binding, nor shall this Agreement be modified except by agreement in writing, executed by Company, except as otherwise set forth herein.
- f) This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one original Agreement.

PivotHealth Holdings, LLC

Producer Signature

By:

Printed Name:

Print Name: , Authorized Signatory

Date:

Date:

Producer Number:



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

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number									
				-				-	
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- 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 (IRS) 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; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.



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 agree 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.

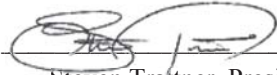
Agent agrees to allow AHCP or Carrier to audit all relevant books and records upon at least five (5) business days' prior written notice and during regular business hours. AHCP and Carrier are solely responsible for their own expenses in connection with conducting the audit.

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
America's Health Care/Rx Plan Agency, Inc.

_____ Date

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).