



INNOVATIVE HEALTH PLAN

Producer Contract

This is a Producer Contract between the Producer referred to below (the “PRODUCER”) and Innovative Health Plan, LLC (the “Company”).

I. AGREEMENT

The PRODUCER agrees to represent the Company and to abide by the terms of this Contract. The Company agrees to compensate the PRODUCER according to the terms of this Contract. The PRODUCER is an independent contractor, and this Contract does not create an employer/employee relationship between the Company and the PRODUCER.

II. AUTHORITY AND RESPONSIBILITY OF PRODUCER

The PRODUCER is authorized by the Company to perform the following duties. The PRODUCER agrees to perform these duties according to the Company’s practices and procedures.

- a. Procure applications for the Company’s group medical captive program, and submit same to the Company. Assure that applications are accurately completed and fully disclose to the Company all facts which could affect the Company’s decision regarding the issuing of the policies.
- b. Assure that all sales presentations conducted by the PRODUCER involving the Company or its group medical captive program are accurate representations, and that any sales materials, illustrations and proposals that are used in the Company’s name shall not be disseminated or printed without the prior written approval of the Company.
- c. Promptly deliver to the policyholders the policies issued on the above applications, provided the full amount of the initial premium rate equivalent has been paid.
 - If, at the time of delivery, each participant in the plan to be covered by the policy is not in the same health and insurable condition as represented in the policy application, the PRODUCER should not deliver the policy, but rather should immediately forward to the Company full details, including the nature of the disorder, date of inception and extent of treatment.
 - Policies on which the initial premium rate equivalent has not been paid are not to be delivered unless each participant in the plan to be covered is in the same health and insurable condition as represented in the policy application and until the initial premium rate equivalent is paid.
- d. Use best efforts to provide satisfactory service to those policyholders solicited or assigned to the PRODUCER.

- e. Be responsible for all money received by the PRODUCER on behalf of the Company.
- f. Be responsible for any and all indebtedness of the PRODUCER to the Company.
- g. Procure and maintain all necessary licenses required for the PRODUCER to solicit applications for, or to service, the Company's group medical captive program.
- h. Conform to all applicable laws and regulations governing the solicitation, sale, and servicing of the Company's group medical captive program.
- i. Forward immediately to the Company by facsimile transmission or overnight commercial courier any notices of any disputes or lawsuits concerning Company's policies or policyholders that the PRODUCER becomes aware of.

III. LIMITS OF PRODUCER'S AUTHORITY

The PRODUCER agrees NOT to perform any acts on behalf of the Company for which the PRODUCER is not authorized, including, but not limited to, the following:

- a. Solicit applications personally, or by correspondence, or in any other manner, in any state in which the PRODUCER and Company are not fully licensed.
- b. Incur any debt, expense or liability on behalf of the Company. No credit may be extended for the Company. PRODUCER shall solely be responsible for the payment of all costs and expenses incurred in connection with their services.
- c. Modify or waive any of the provisions of the Company's policies, applications and contracts, or bind the Company in any way.
- d. Misquote or incorrectly illustrate any rates or values for the Company's policies.
- e. Use any materials, illustrations, proposals or advertising identified with the Company or its group medical captive program, which have not been previously submitted to the Company for approval and have not received specific written approval from the Company.
- f. Collect any money on behalf of the Company except for initial premium rate equivalents on applications solicited by the PRODUCER.

IV. COMPENSATION

- a. PRODUCER shall not have the authority to appoint other agents or subagents for purposes of this Agreement. PRODUCER shall have no authority to make and shall not make any agency agreements on behalf of the Company, nor shall PRODUCER make any agreements rendering or purporting to make the Company liable for the payment and/or repayment of expenses, commissions, or any other sums.
- b. Any payments to PRODUCER under this Agreement shall be paid only to the extent permissible under applicable laws, rules and regulations. PRODUCER shall have no right to such payment and the Company shall have no duty to make such payments in excess of those legally permissible.

- c. The Company may, at its option, may offset PRODUCER's proportional share of any return premiums from any payments or amounts otherwise owing by the Company to PRODUCER under this Agreement or otherwise, with copies of appropriate documentation substantiating such return premiums, provided that PRODUCER does not object to such offset within 15 days thereafter.

V. TERM AND TERMINATION

- a. This Contract shall take effect upon its full execution, and shall continue for an indefinite period.
- b. The PRODUCER and Company agree that this Contract, together with any riders, supplements and endorsements hereto, shall terminate immediately upon the occurrence of any of the following events:
 - 1. Death of the PRODUCER.
 - 2. Termination of the PRODUCER's health insurance license.
 - 3. Financial insolvency of the PRODUCER.
 - 4. Material breach of any of the terms of this Contract by the PRODUCER.
- c. The Contract shall also terminate immediately as a result of the following acts of misconduct by the PRODUCER, and as a consequence of such acts the PRODUCER shall forfeit any and all rights to any and all compensation either owing now or in the future, whether or not these acts occur prior to or after the termination of the Contract:
 - 1. Upon the commission of any act of fraud, theft or misappropriation of funds involving the Company by the PRODUCER.
 - 2. Willing submission to the Company of information which the PRODUCER knows to be false.
 - 3. Failure to disclose to the Company any medical or personal history of any plan participant by an applicant for the Company's policy of which the PRODUCER has knowledge.
 - 4. Inducing any policyholder to lapse, or, without prior written approval of the Company, terminate its policy with the Company.
 - 5. Upon the PRODUCER pleading guilty or no contest to a crime involving fraud, theft or misrepresentation, or upon being convicted of a crime involving moral turpitude.

Notice of immediate termination by one party to the other shall be made by a commercial courier providing overnight service.

- d. This Contract may also be terminated for any reason thirty (30) days following the date of mailing of written notice by certified mail, return receipt requested, by either the Company or the PRODUCER to the current address of the other party.

VI. GENERAL PROVISIONS

- a. The Company may reject applications for policies, limit the amount or plan of insurance, or require a higher premium rate equivalent than applied for, if not prohibited by law.
- b. The Company may alter or withdraw its existing group medical captive policies, introduce new policies, and enter or withdraw from territories, upon notice to the PRODUCER.
- c. Failure of the Company to promptly enforce non-compliance with any of the terms of this Contract does not constitute a waiver of such terms. Further, the waiver by the Company of any term or right

of enforcement contained in this Contract shall not constitute a waiver of any subsequent breach or right of enforcement.

- d. This Contract supersedes any previous Contract between the PRODUCER and the Company. It does not release the PRODUCER from financial obligations owed or assumed prior to its effective date.
- e. No modification, amendment, or assignment, whether in whole or in part, of this Contract will be valid unless approved in writing by a Vice President or President of the Company.
- f. The PRODUCER shall maintain Professional Liability insurance throughout the term of this Contract, and shall provide the Company with evidence of such coverage upon request.
- g. The financial obligations of this Contract shall be binding upon the parties, their heirs and assigns.
- h. The PRODUCER shall indemnify the Company fully for, and hold the Company harmless from, any costs, liability or damages (including reasonable attorney's fees incurred in connection therewith or in connection with enforcing this indemnity) suffered by the Company as a direct or indirect result of the PRODUCER's breach of any of the terms of this Contract.
- i. The PRODUCER shall observe all applicable privacy laws. In particular the PRODUCER shall at all times protect the confidentiality and integrity of all applicant/policyholder (including plan participant) "non-public personal financial and health information" as well as "individually identifiable health information". Such information may be shared only with the applicant/policyholder, those who need to know that information in order to underwrite and service the policy, and as otherwise permitted by law. No unauthorized access to this information should be permitted. This information should always be kept secure- it should never be left unattended, and must be kept in locked storage.
- j. This Contract shall be governed and interpreted by and under the laws of the State of Connecticut.
- k. Neither the Company nor the PRODUCER shall be required to perform any action under this Contract or otherwise which would be a violation of any federal or state law or regulation.
- l. The Company reserves the right, in its sole discretion, when settling disputed claims or complaints of a policyholder, to refund any premium or premium rate equivalents paid on a policy produced under this Contract directly by the PRODUCER. If such a refund is made, other than as part of the benefits provided by the policy, the PRODUCER shall be charged with, and shall repay to the Company, any compensation paid to the PRODUCER on the premium or premiums so refunded.
- m. All disputes with regard to this Contract, if they cannot be settled amicably, shall be submitted to arbitration in accordance with the rules of the American Arbitration Association at the Company's headquarters in New Haven, Connecticut.
- n. The provisions of this Contract shall be deemed severable. In the event any provision in this Contract is determined to be unenforceable or invalid, such provision shall nonetheless be enforced

to the fullest extent permitted by applicable law, and such determination shall not affect the validity and enforceability of any other remaining provision in this Contract.

- o. PRODUCER shall not advertise in any way the name of the Company nor shall PRODUCER advertise in any way the name of any company or underwriter represented by the Company without the prior written consent of the Company.

VII. CONFIDENTIALITY

a) As used herein, “Confidential Information” means any proprietary information regarding the Company, including the identity of all accounts placed by the Company and organizations and accounts that are participating in the programs or using the services offered by the Company (collectively, “Participating Organizations”), which comes into your possession in connection with your services under this Agreement, including without limitation information relating to actual or contemplated contracts or business relationships, activities, products and services, pricing, plans, processes, programs, insurers, customer and supplier lists, business and marketing plans, census data, business models and financial information – except that Confidential information shall not include any information if and only to the extent that it:

- Is or becomes public knowledge without breach by you of any duty hereunder, or
- Was known by you prior to its disclosure by the Company, as evidenced by contemporaneous writings, or
- Is hereafter received by you from a third party without breach by such third party of any duty of confidentiality

b) Except as may be used by you in connection with the marketing services rendered by you hereunder, at all times both during and for a period of five (5) years after the term of this Agreement, you shall hold in the strictest confidence and will ensure that neither you nor any of your agents, officers, employees and affiliates shall ever use, appropriate, transfer, copy or disclose to any third party any Confidential Information without the Company’s express written consent. Without limitation of the foregoing, in no event shall you knowingly take any action to impede, negatively affect, interfere with or circumvent the Company’s relationship with Participating Organizations without the Company’s prior written consent. The provisions of this section shall survive the termination of this Agreement.

EXECUTION:

Signature of Agent/Agency Date

Innovative Health Plan, LLC Date