



HEALTH PLAN COMMUNITY

**AGENT AGREEMENT
BETWEEN
MCLAREN HEALTH PLAN INC., MCLAREN HEALTH PLAN COMMUNITY, INC.,
HEALTH ADVANTAGE INC.
AND**

This Agent Agreement is effective _____ (“Effective Date”) and is entered into between McLaren Health Plan, Inc., McLaren Health Plan Community, Inc. and Health Advantage Inc. (each referred to separately as “Plan”) and _____ (“Agent”).

The parties agree as follows:

1. AGENT’S AUTHORITY AND OBLIGATIONS

1.1. Authority. Agent is authorized on behalf of Plan during the term of this Agreement to solicit and service the Products selected in Section 9. As used in this Agreement, “Products” are the health coverages or services in Plan’s service area, which Plan has authorized Agent to solicit and service in Section 9. Any sale by Agent is binding on Plan only if accepted in writing by Plan. Plan has the sole discretion to reject any sales submitted by Agent to Plan. Agent has no authority to act on Plan’s behalf except as provided in this Agreement. Agent does not have authority to and must not perform any of the following:

- A.** Bind coverage or accept an applicant for coverage;
- B.** Modify, alter or terminate any Plan contract;
- C.** Solicit, service or sell on behalf of Plan any product not authorized by this Agreement;
- D.** Incur any debt or liability or withhold money or property of Plan;
- E.** Waive defaults by members or any other party contracted with Plan;
- F.** Extend the time for or method of payment of amounts owed to Plan;
- G.** Quote rates other than those provided by Plan;
- H.** Collect premiums, deposits or other money from a group or member; or
- I.** Do anything on behalf of Plan that is not permitted by this Agreement.

1.2 License. Agent must maintain licenses as required by Michigan law to solicit and service Products on behalf of Plan. Agent must immediately notify Plan of any expiration, termination, suspension, revocation or other action by the Michigan Department of Insurance and Financial Services, its successors, or any other government agency. Agent will not be paid any commission for any time when its license is suspended, terminated or revoked. Agent must immediately notify Plan of any misdemeanor or felony charges related to Agent’s actions, including fraud, dishonesty, breach of trust, theft, misappropriation of money, or breach of fiduciary duty.

1.3 Expenses. Agent is responsible for all expenses incurred while performing services under this Agreement.

1.4 Use of Plan Name and Materials. Agent must not use Plan's name, logo, advertising and marketing materials or supplies, or any other materials provided to Agent by Plan in any advertising or sales promotions without the prior written consent of Plan. Agent must promptly notify Plan if Agent becomes aware of the use of Plan's name or logo in any advertising or sales promotion, other than as permitted under this Agreement. Upon termination of this Agreement, all rights and privileges provided to Agent under this Agreement regarding the use of Plan's name and logo immediately expire, and Agent must promptly give Plan all advertising, sales, enrollment and other materials related to Plan.

1.5 Errors and Omissions Insurance. Agent must maintain errors and omissions insurance with minimum coverage limits of \$1,000,000 per occurrence and \$1,000,000 in the aggregate. Upon signing this Agreement, Agent must provide evidence of its errors and omission coverage to Plan. Upon Plan's request, Agent will provide proof of coverage to Plan. Agent must immediately notify Plan of any changes in its coverage.

1.6 Compliance with Law and Plan Rules. Agent must comply with all state and federal laws and regulations applicable to Agent's obligations in this Agreement. Agent must also comply with all rules and instructions issued by Plan, including, but not limited to Plan's underwriting rules regarding the solicitation, sale and servicing of any Products. Agent must avoid conflicts of interest and cooperate with and advance the interests of Plan with its customers. Agent must comply with the applicable requirements of the regulatory requirements attachments.

1.7 Servicing Requirements. If required by Plan, Agent must inform or distribute any Plan communications or materials to Plan's customers in a timely manner. Agent will perform all reasonable duties and services required by Plan to service Plan's customers. If requested by Plan, this may include delivery and explanation of administrative forms (initial and renewal). Agents must provide to Plan current and accurate employee demographic data, coverage history, and other information requested by Plan regarding a group or prospective group. Any material misrepresentation of any information given to Plan is considered to be fraud, and will result in forfeiture of any payments due under this Agreement, and termination of all obligations to Agent by Plan.

1.8 Subcontractors. If Agent uses a subcontractor to perform any of Agent's obligations under this Agreement, Agent will enter into an agreement with the subcontractor that requires the subcontractor to be bound by the same terms and conditions that apply to Agent under this Agreement with respect to the delegated obligations.

1.9 Change in Address. Agent will promptly notify Plan, in writing, of any change in Agent's address.

1.10 Non-Exclusivity. This Agreement is not exclusive for either party.

2. PLAN'S RESERVED RIGHTS

2.1 Appointment of Agent. A Plan may, in its sole discretion, appoint Agent to solicit Products for the Plan. A Plan may terminate any of Agent's appointments at any time without terminating this Agreement in its entirety.

2.2 Discontinuation/Withdrawal. Plan reserves the right to discontinue or withdraw from the sales or marketing of any Product at any time.

2.3 Modifications/Amendments to Products. Plan reserves the right to change or amend any of the terms of its Products at any time. Plan also reserves the right to change its business practices or operations relating to its Products at any time.

2.4 Advertising and Marketing. Plan may advertise and provide promotional materials at its discretion.

3. COMMISSIONS

3.1. Payment of Commissions. Subject to Agent's compliance with the terms and conditions of this Agreement, Plan will compensate Agent for Agent's services during the term of this Agreement in accordance with the Commission Schedule. Plan's Commission Schedule is available upon request, and may be changed at any time by Plan, in Plan's sole discretion. Plan will pay all commissions owed to Agent on a monthly basis. Commission payments for premiums paid will be paid by the end of the month following the month the premiums were received. Notwithstanding the foregoing, Plan may at any time, alter the time period for paying commissions by notifying Agent. Commissions will be based on the Commission Schedule in effect when the premiums were due.

3.2 Agent of Record Requirement.

A. Group Health Plans. For new groups, commissions will only be paid on premium paid by a group that has designated, to Plan in writing, on the group's application to Plan. For current groups, commissions will only be paid on premium paid by the group if Agent is the Agent of Record and only if Plan receives a copy of the original Agent of Record Letter. Groups may name an Agent of Record at the time of sale. An Agent of Record letter must be written on company letterhead and signed by an authorized representative of the group. Commissions are not payable for any period of which Agent is not Agent of Record for group, including any period for which the group has changed or revoked its Agent of Record appointment. Only one Agent of Record Letter is permitted by Plan for each group in a 12 month period. Commissions due for enrollment of members within a group will be paid by Plan to one Agent only. Plan will not allocate a group commission to more than one Agent. Plan may continue to provide health care coverage to a group after termination of an Agent's appointment as Agent of Record. Commissions are transferable to a new, appropriately designated agent, if a group terminates its current Agent of Record.

B. Individual Plans. If Plan pays commissions for the sale of individual plans, commissions will only be paid on premium paid by an individual that has designated Agent as

the Agent of Record on the member's application to Plan. Commissions are not payable for any period of which Agent is not Agent of Record for the individual.

3.3 Conditions for Receiving Commissions. Commissions will be paid for premiums earned and received by Plan (net of retroactive additions and terminations) from a group or individual with respect to the relevant calendar month, but Plan has no obligation to pay a commission until the premiums have been actually received by Plan. Plan will not pay any commission following termination of this Agreement for any reason. The commissions due for a particular month will be adjusted based upon retroactive enrollment changes, Plan, group or, as applicable, individual enrollment error, or other circumstances identified by Plan.

3.4 Adjustments to Commissions. Agent may collect commission adjustments for a period of up to 12 months from the date compensation would have been due. Commission adjustments will be automatically included in the following month's commission payment and may not be collected by means of an independent payment. Agent forfeits its right to any payment after 12 months and Plan has no obligation to make any payment.

3.5 Overpayments. Agent must promptly notify Plan if Agent becomes aware of an overpayment. Overpayments may arise several ways, including but not limited to, retroactive disenrollment of members, termination of a group or member for failure to pay premium, or a Plan's payment of an incorrect amount of commissions to Agent. If a Plan pays Agent more than the amount due to Agent as a commission, Agent must promptly return the funds to Plan. Plan may, in its sole discretion, offset the overpayment against Agent's next commission payment. If Plan incurs any costs in collecting the overpayment from Agent, including but not limited to collection and attorney fees, Agent will reimburse Plan for its costs.

3.6 No Compensation to Other Agents. Plan will not pay compensation to any other agent, broker or producer under the terms of this Agreement. Agent agrees to defend, indemnify and hold harmless Plan if an agent, broker or producer (other than Agent) makes a claim for compensation against Plan under the terms of this Agreement.

4. TERM AND TERMINATION

4.1 Term of the Agreement. The term of this Agent Agreement is one year beginning on the Effective Date. This Agreement will automatically renew for additional one year periods unless terminated in accordance with Section 4.2 of this Agreement.

4.2 Termination.

A. Termination for any Reason. Either party may terminate this Agreement at any time, for any reason, by providing at least 60 days prior written notice to the other party.

B. Termination for Loss of License. If, at any time during the term of this Agreement, Agent does not have, or fails to maintain, a license required to perform services or receive compensation under this Agreement (including if Agent's license is revoked by a licensing or regulatory agency but not including a temporary suspension of Agent's license), this

Agreement will be terminated effective as of the date that Agent first lost, or failed to maintain, the license without regard to when Plan learns of the loss of, or failure to maintain the license or when Plan notifies Agent that this Agreement has been terminated. Plan may recover any compensation paid to Agent after Agent loses or fails to maintain a fully active license.

C. Termination for Disciplinary Action. If a licensing or regulatory agency subjects Agent to any disciplinary sanction (for example, a reprimand or temporary suspension of Agent's license), Plan may terminate the Agreement by providing written notice to Agent effective upon receipt of the notice, or any later date that Plan specifies in the notice. Regardless of whether the Agreement is terminated, no compensation will be payable to Agent for services provided during any period in which Agent's license is temporarily suspended. Plan may recover any compensation paid to Agent during any period in which Agent's license is temporarily suspended.

D. Termination Upon Ending of Agent's Business. This Agreement will automatically terminate upon Agent's death, dissolution, receivership, insolvency, or bankruptcy.

E. Termination for Agent's Breach. If Agent breaches a material term of this Agreement, Plan may terminate this Agreement immediately by notifying Agent in writing of the effective date of termination. Material terms of this Agreement include, but are not limited to those related to Agent's use of Plan's materials, confidentiality and Agent's authority. The effective date of termination may be the date of the breach, or any later date that Plan specifies in the notice of termination.

F. Termination for Fraud. If Agent engages in, or knowingly assists another to commit, fraudulent or dishonest activity in connection with the solicitation, enrollment or renewal, this Agreement will terminate effective as of the date on which Agent engaged in or assisted with the activity without regard to when Plan learns of the fraudulent or dishonest activity or when Plan notifies Agent that this Agreement has been terminated. Plan may recover any compensation paid to Agent after Agent engaged in, or knowingly assisted another to commit, the fraudulent or dishonest act without regard to when Agent actually earned the compensation.

4.3 Obligations Following Termination.

A. Obligations Following a Section 4.2(A) Termination. If the Agreement is terminated in accordance with Section 4.2(A), Agent will keep all business placed with a Plan, including applicable commissions, but will not be allowed to write new business for Plan, bind a new risk for Plan, renew a Product, or increase the obligations of Plan without the approval of Plan. Plan will not pay commissions after termination of this Agreement at any time that Plan determines that it would have terminated the Agreement in accordance with Sections 4.2(B), (C), (D), (E), or (F).

B. Obligations Following all other Terminations. If the Agreement is terminated in accordance with Sections 4.2(B), (C), (D), (E), or (F), Plan will keep the business the Agent has placed with Plan and no commissions will be paid to Agent after termination of the

Agreement. Following termination of this Agreement, neither Agent nor any employee, representative, or agent of Agent, will at any time, directly or indirectly, induce or seek to induce any group or subscriber to lapse, surrender, or cancel any Plan coverage.

5. MONITORING AND AUDITING

5.1 Consent to Monitoring. Agent will permit Plan to monitor the performance of Agent on an ongoing basis, in any manner that Plan determines appropriate. Plan's monitoring under this section does not relieve Agent of its obligations under this Agreement.

5.2 Plan Audits. Agent will maintain and require its subcontractors to maintain their books and records in a manner that permits audits or inspections as required by this Agreement. Plan may inspect and audit any and all information and records related to the services Agent performs under this Agreement.

5.3 Government Audits. Agent will permit access by applicable government authorities or their designees to audit and inspect Agent's books and records, contracts, computers, or other electronic systems, including medical records and any other documentation relating to this Agreement in accordance with applicable laws and regulations.

6. CONFIDENTIALITY

6.1 Confidential Information.

A. Plan's Confidential Information. In performing its obligations under this Agreement, Agent will have access to information that is confidential and proprietary to Plan ("Plan Confidential Information"). Plan Confidential Information may include, without limitation: this Agreement, names, addresses, and demographic information relating to Plan members or prospective members, marketing strategies, targeting methods, and other Plan business objectives. Agent must use Plan Confidential Information only for the purpose of providing services and must not use Plan Confidential Information for any other purpose. Agent must ensure that only its employees, authorized agents, or subcontractors who need to know Plan Confidential Information to perform services under this Agreement will receive Plan Confidential Information and that they agree to be bound by the provisions of this Section 6. Agent may not disclose Plan Confidential Information to any unauthorized party without Plan's prior written consent. Unauthorized parties include, but are not limited to other HMOs, PPOs, TPAs and other similar entities. Agent must treat Plan Confidential Information with at least the same degree of care that it treats its own confidential information, but in no case less than a reasonable degree of care to prevent disclosure of Confidential Information to unauthorized parties. Agent must immediately notify Plan of any loss or unauthorized disclosure or use of Plan Confidential Information.

B. Agent's Confidential Information. In performing its obligations under this Agreement, Plan will have access to information that is confidential and proprietary to Agent

(“Agent Confidential Information”). Agent Confidential Information may include, without limitation: marketing strategies, targeting methods, and other Agent business objectives. Plan will use Agent Confidential Information only for the purpose of fulfilling its obligations under this Agreement, and will not use Agent Confidential Information for any other purpose. Plan will ensure that only its employees, authorized agents, or subcontractors who need to know Agent Confidential Information to perform services under this Agreement will receive Agent Confidential Information, and that they agree to be bound by the provisions of this Section 6. Plan may not disclose Agent Confidential Information to any unauthorized party without Agent’s prior written consent. Plan will treat Agent Confidential Information with at least the same degree of care that it treats its own confidential information, but in no case less than a reasonable degree of care to prevent disclosure of Agent Confidential Information to unauthorized parties. Plan will immediately notify Agent of any loss or unauthorized disclosure or use of Agent Confidential Information.

6.2 Exclusions. A party’s obligations regarding the use and disclosure of the other party’s Confidential Information does not apply to Confidential Information that: (a) the receiving party already knew; (b) the receiving party received from a third party that had the right to make the disclosure; (c) the party that owns the Confidential Information specifically authorizes the other party to disclose; (d) a party developed independently without use or reference to the other party’s Confidential Information; (e) becomes part of the public domain through no fault of the receiving party; or (f) the receiving party was ordered to disclose by a court or agency with appropriate jurisdiction.

6.3 Injunctive Relief. Any unauthorized use or disclosure of the other party’s Confidential Information may cause immediate and irreparable harm to the party that owns the Confidential Information for which money damages will not be an adequate remedy. Each party agrees that the other party is entitled to seek injunctive relief without posting bond.

6.4 Return or Destruction of Confidential Information. Upon the owning party’s demand, or upon the termination of this Agreement, the receiving party will comply with the instructions of the party that owns the Confidential Information regarding the return or disposition of Confidential Information.

6.5 Survival of Confidentiality. The obligations of this Section 6 will survive the termination of this Agreement for a period of five years, except for trade secrets, where each party’s obligations will continue for as long as the information remains a trade secret.

6.6 Confidentiality of Member Protected Health Information. For Protected Health Information (as that term is defined in the HIPAA rules and regulations), the parties agree to comply with the terms of the Business Associate Agreement entered into concurrently with this Agreement.

7. LIMIT OF LIABILITY AND INDEMNITY

7.1 Limit of Liability. Agent’s sole, exclusive remedy for any breach by a Plan of this Agreement or for any other damages resulting from the Plan’s performance under this

Agreement is limited to money damages equal to the lesser of Agent's actual damages, or the sum of all amounts paid to Agent by the Plan under this Agreement.

7.2 Disclaimer of Damages. To the maximum extent permitted by applicable law, in no event will Plan, its affiliates and subsidiaries be liable for any lost profits, lost savings or any consequential, incidental, indirect, special, punitive, or other damages whatsoever (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or other pecuniary loss) arising out of this Agreement even if Agent has been advised of the possibility of damages, or for any other claim by Agent or for any third party claim.

7.3 Indemnification. During and after the term of this Agreement, Agent will indemnify, defend, and hold Plan harmless from and against any claim, loss, damage, or expense, including reasonable attorneys' fees, caused by or arising from any act, error or omission by Agent, its employees and subcontractors. Agent must indemnify and hold Plan harmless from and against any and all claims, lawsuits, demands, liabilities, taxes (including taxes on compensation), charges, judgments, settlements, costs, penalties and expenses of whatever kind or nature the Companies may sustain or incur at any time and arising in any manner out of an act, error or omission by Agent with respect to this Agreement.

8. GENERAL TERMS

8.1 Independent Contractors. Agent is an independent contractor and is not an employee of Plan. This Agreement does not create any other relationship between the parties, including any joint venture or agency.

A. State and Federal Taxes. Plan will not withhold FICA (Social Security and Medicare taxes) from Agent's payments or make FICA payments on Agent's behalf, or make state or federal unemployment compensation contributions on Agent's behalf, or withhold state or federal income tax from Agent's payments. Agent must pay all taxes incurred while performing services under this Agreement, including all applicable income taxes. Upon Plan's request, Agent will provide Plan with proof that the payments have been made.

B. Fringe Benefits. Neither Agent nor Agent's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Plan.

C. Worker's Compensation. Plan will not obtain worker's compensation insurance on behalf of Agent or Agent's employees. If Agent hires employees to perform any work under this Agreement, Agent will cover them with worker's compensation with limits not less than the statutory requirements of applicable state and federal laws.

D. Unemployment Compensation. Plan will make no state or federal unemployment compensation payments on behalf of Agent or Agent's employees or contract personnel. Agent will not be entitled to these benefits in connection with work performed under this Agreement. If Agent files a petition for and receives unemployment compensation, the total

amount of unemployment compensation awarded to and received by Agent will be deducted from and be an offset against the amount of compensation due and payable to Agent by Plan under this Agreement.

8.2 Entire Agreement. This Agreement and the application to which it is attached and any addenda, schedules, rules or other agreements provided for in this Agreement or incorporated hereunder, are the entire agreement of the parties and supersedes all previous agreements whether oral or written, between Plan and Agent.

8.3 Assignment. Plan may assign any or all of its rights and responsibilities under this Agreement to a subsidiary or affiliate of Plan. Agent may not assign any of its rights, responsibilities or commissions under this Agreement to any person or entity without the prior written consent of Plan.

8.4 Governing Law. This Agreement will be governed by and construed according to Michigan law and federal law as applicable.

8.5 Waiver of Class Action. Any dispute resolution proceedings will be conducted only on an individual basis and not in a class or representative action or as a named or unnamed member in a class, consolidated representative, or private attorney general action, unless both Agent and Plan agree to do so in writing.

8.6 Waiver of Jury Trial. The parties waive the right to a trial by jury in any proceeding or litigation brought against the other related to this Agreement.

8.7 Amendment to Agreement. Plan may amend any of the terms of this Agreement by providing at least 30 days notice to Agent, or a shorter period of time, if required by law, regulation or a regulatory agency. Agent's continued performance after the amendment effective date is considered acceptance of the amendment and Agent's signature is not required. However, if Agent objects to an amendment and notifies Plan prior to the effective date of the amendment, Plan and Agent will endeavor to negotiate the terms of the amendment.

8.8 Waiver. The failure of Plan at any time to require performance by Agent of any provision of this Agreement will not affect in any way Plan's right to require performance at any time thereafter. The waiver by Plan of a breach of any provision of this Agreement does not constitute a waiver of the provision itself.

8.9 Severability. If any provision of this Agreement is found to be illegal or otherwise unenforceable, the remainder of this Agreement will not be affected and will remain fully enforceable.

8.10 Several Liability and Enforcement. All representations, warranties, covenants, liabilities and obligations under this Agreement are several, and not joint, to each Plan, and no Plan will be liable for any breach, default, liability or other obligation of any other Plan party to this Agreement. Each Plan is a separate entity and may independently enforce the terms and conditions of this Agreement.

9. PRODUCTS COVERED UNDER THIS AGREEMENT

9.1 Agent agrees to provide services for the following Products:

- Commercial Group Products – Off Exchange
- Commercial Group Products – On Exchange (*Must comply with Attachment A*)
- Commercial Individual Products – Off Exchange
- Commercial Individual Products – On Exchange (*Must comply with Attachment A*)
- Medicare Supplement (*Must comply with Attachment B*)

Either party may remove a selected product by providing at least thirty (30) days written notice to the other party. No commissions will be paid to Agent if Plan discontinues offering a Product. Additionally, no commissions will be paid to Agent, if Agent does not meet the requirements of a Product as provided in the applicable regulatory attachment.

The authorized representatives of the parties have caused this Agreement to be executed.

McLaren Health Plan, Inc., _____ **(Agent)**
McLaren Health Plan Community, Inc.
and Health Advantage Inc.

 By: Nancy Jenkins
 Its: President and CEO
 On behalf of the above named entities

 By:
 Its: _____

Date: _____

Date: _____

Address: _____

Fed Tax ID#: _____

Attachment A – Exchange Requirements

Capitalized terms used in this Attachment A that are not defined have the meanings defined in the Agreement.

For purposes of this Attachment A, the following definitions apply:

“Delegated Entity” means any party that enters into an agreement with Plan to provide administrative services or health care services to qualified individuals, qualified employers, or qualified employees and their dependents. Provider is a Delegated Entity.

“Downstream Entity” means any party that enters into an agreement with a Delegated Entity or with another downstream entity for purposes of providing administrative or health care services related to the agreement between a Delegated Entity and Plan.

“Exchange” means a governmental agency or non-profit entity that meets the applicable standards of 45 CFR 155 subpart D and makes QHPs available to individuals and employers. This term includes both state and Federally-Facilitated Exchanges.

“Qualified Health Plan” or “QHP” means a health plan that has in effect a certification that it meets the standards described in subpart C of part 156 issued or recognized by each Exchange through which a plan is offered in accordance with the process described in subpart K of part 155. McLaren Health Plan Community, Inc. is a QHP.

- 1. Delegated Activities.** The activities or responsibilities with regard to Plan’s QHP products that are delegated to Agent are specified in the Agreement. [45 CFR 156.340(b)(1)]
- 2. Reporting and Monitoring Activities.** Plan will monitor the performance of the Agent on an ongoing basis as provided for in the Agreement. [45 CFR 156.340(b)(1)]
- 3. Revocation of Delegation and Reporting Activities.** HHS and Plan reserve the right to revoke the delegation activities and reporting requirements or to specify other remedies in instances where HHS or Plan determines that Agent has not performed satisfactorily. Plan may immediately terminate the Agreement if Plan determines that Agent has not performed satisfactorily. If Plan terminates the Agreement or revokes any delegated functions to Agent, Agent must cooperate with Plan’s transition activities. [45 CFR 156.340(b)(2)]
- 4. Compliance with Applicable Laws and Regulations.** Agent and any Downstream Entity must comply with all applicable laws and regulations relating to the standards of 45 C.F.R. part 156 subpart C; all exchange processes, procedures, and standards in accordance with subparts H and K of part 155, and any applicable state statutes and regulations regarding the exchange and, in the small group market; 45 C.F.R. §155.705; 45 C.F.R. §155.220 with respect to assisting with enrollment in Plan; and 45 C.F.R. §§156.705 and 156.715 for maintenance of records and compliance reviews for Plan to the extent that it operates in a Federally-facilitated Exchange or FF-SHOP. [45 CFR 156.340(a)(3)]

5. Record Retention and Audits. Agent and any Downstream Entity must permit access by the Secretary and the OIG or their designees in connection with their right to evaluate through audit, inspection, or other means, to Delegated Entity or any Downstream Entity's books, contracts, computers, or other electronic systems, including medical records and documentation, relating to Plan's obligations in accordance with Federal requirements until ten years from the termination or expiration of the Agreement. [45 CFR 156.340(a)(4)]

6. Subcontracting. Subject to the subcontracting terms of the Agreement, if Agent, subcontracts any functions to a Downstream Entity to perform any services on behalf of Plan, Agent must ensure that the subcontracting agreement is in writing and includes the terms in this Attachment A.

7. Training/Registration Requirement. Agent may solicit Plan Marketplace (Exchange) group or individual plans only if Agent has completed the applicable required Marketplace training and registration and has provided Plan with a copy of a certificate proving the registration. If Agent fails to obtain or maintain the required registration, Agent will immediately discontinue soliciting and servicing Plan's Marketplace Products. Agent will not be paid commissions at any time after Agent failed to obtain or maintain the required registration.

8. Event of Conflict. If there is an inconsistency between the provisions of this Attachment A and the Agreement, this Attachment A will prevail as it relates to the subject matter of Attachment A.

Attachment B – Medicare Supplement Requirements

- 1. Notice Requirements to Applicants.** Agent must comply with the requirements in MCL 500.3827, including but not limited to the provision of notices to applicants.
- 2. No Material Misrepresentations.** Agent must not materially misrepresent any of Plan's policy's provisions when soliciting the policy to a member or prospective member. [MCL 500.3830]
- 3. Appropriateness of Products.** In recommending the purchase or replacement of any Medicare Supplement coverage, Agent shall make reasonable efforts to determine the appropriateness of a recommended purchase or replacement. [MCL 500.3861]
- 4. Use of Materials.** In addition to the terms of the Agreement related to the use of materials, Agent must not use solicitation or marketing materials, unless they have been approved by Plan and the State of Michigan licensing authority, if applicable. [MCL 500.3847]
- 5. Criminal Acts.** Agent warrants that Agent has not been convicted of any criminal act involving dishonesty or breach of trust or been convicted of an offense under Section 14033 of the Violent Crime Control and Law Enforcement Act of 1994. Further, Agent agrees to immediately inform the Companies of any conviction of the types described in the preceding sentence.
- 6. Event of Conflict.** If there is an inconsistency between the provisions of this Attachment A and the Agreement, this Attachment B will prevail as it relates to the subject matter of Attachment B.