

INDEPENDENT AGENT AGREEMENT

This Agreement is made and entered into by and between Healthcare Solutions Team, LLC, with offices located at 1900 S. Highland Avenue, Suite 203, Lombard, Illinois, hereinafter called "HST" and the individual whose name appears on the signature line below, hereinafter called "Agent". HST and Agent may hereafter be referred to individually as a "Party" and collectively as the "Parties". HST maintains agreements for services with insurance companies, insurance trusts, and associations ("Companies"), which are necessary to enable Agent to be paid commissions as provided herein, subject to the terms and conditions of this Agreement and the agreement with the Companies.

A. Term of the Agreement.

This Agreement is for an unspecified term and it can be terminated by Agent or HST at any time, with or without cause, by sending a written notice to the last known address of the non-terminating party or by electronic notification. Such termination shall immediately be effective to terminate Agent's authority to act hereunder, but shall not release either party from liability for prior or post termination, obligations, acts or omissions as required under this Agreement. Agent understands that this Agreement is "at will".

B. Responsibilities.

Agent's responsibilities to HST are as follows:

- i) To submit insurance applications from the applicants of Agent's choice, and at Agent's discretion as to time and place, and to collect initial premiums for such applications.
- ii) To comply with all applicable state, federal and local laws including, but not limited to, insurance licensing requirements, HIPAA, the Telephone Consumer Protection Act, Do Not Call List requirements, and state rebating/referral requirements.
- iii) To comply with Companies or HST rules, regulations, procedures as announced from time to time, and to act in the best interests of HST and Companies.
- iv) To assist HST in obtaining documentation necessary for Companies to issue policies and to assist HST and Companies in maintaining the policies in force either before or after the termination of this Agreement.

C. Limitations and Restrictions.

Agent acknowledges that HST places the following limitations and restrictions on Agents and by signing this Agreement, Agent agrees as follows:

- i) Agent has no authority to bind HST or Companies by any promise or agreement which is not in the policyholder's contract;
- ii) HST and/or the Companies shall at all times have the right in their sole discretion to reject applications for insurance without specifying any cause;

- iii) Agent shall be responsible for his or her own expenses. Agent is not authorized to incur any obligations on HST's behalf;
- iv) Agent is an Independent Contractor and any persons hired or employed by Agent to perform services in connection with this Agreement are the employees or agents of Agent and not HST.

Agent agrees to:

- v) Maintain in effect, at all times, all insurance and licenses as required by applicable state statutes and regulations.
- vi) Maintain errors and omissions insurance, with a carrier rated A or better by A.M. Best, during the term of this Agreement in an amount reasonably required by the HST, but in no event less than one million (\$1,000,000) dollars per occurrence and two million dollars (\$2,000,000) in the aggregate with a maximum deductible of ten thousand dollars (\$10,000). Agent shall notify the HST within one business day of any reduction, modification, cancellation or termination of such coverage.
- vii) Be responsible for payment of all applicable federal, state, and local taxes associated with commissions earned under this Agreement.
- viii) The names, logos, trademarks and other advertising of HST or any of its affiliated Companies, persons, etc. may not be used by Agent unless approval is received in writing and then only during the term of this Agreement. All circulars, advertisements or other material that Agent publishes prints, distributes or uses in any way shall not be used until first approved in writing by HST. Failure to receive prior written approval of advertisements may lead to immediate termination of this Agreement.
- ix) No assignment of commissions or other payments due or to become due under this Agreement shall be recognized by HST without prior written approval of HST.
- x) Territories are non-exclusive, provided, however, Agents are not authorized to submit applications personally, by correspondence, or in any other manner in any states in which Agent and the Companies are not licensed, nor in any state in which Agent has not been appointed by the Companies.
- xi) Agent understands that HST has entered into agreements with Companies that affect and control Agent's authority and duties with respect to the solicitation of insurance. The service agreements between HST and Companies may be changed from time to time without notice to Agent and without Agent's consent.
- xii) Agent agrees to obtain HST's consent prior to being appointed by or contracting with any other insurance carrier, agency or company (outside the scope of Agent's relationship with HST as set forth herein), but only to the extent any such appointment or contract does not already exist as of the Effective Date of this Agreement.

- xiii) Agent is strictly prohibited from making any misrepresentation in connection with the sale of any insurance policy or the solicitation of any application.
- xiv) In the event, Agent fails to perform any of the agreements hereunder, other than an agreement to pay money, such failure will constitute cause for termination of this Agreement by HST.
- xv) Upon becoming a leader of one or more agents, train and monitor each agent's performance and sales tactics on a weekly basis.
- xvi) Agent acknowledges that Agent has carefully read and considered the provisions of any other contractual obligations it may have pursuant to any prior agreements with other health insurance carriers, including, but not limited to, restrictive covenant(s), and agrees not to act in contravention of such contractual obligations. Agent further agrees to indemnify, defend and hold harmless HST and its directors, officers, employees, agents and affiliated companies from and against any claims, suits, liabilities, costs, damages and expenses whatsoever, including reasonable attorney's fees and exemplary or punitive damages, to the extent arising out of or resulting from, in whole or in part, Agent's breach of such contractual obligations.

D. Confidentiality: Proprietary Information.

- i) In performing its obligations pursuant to this Agreement, each Party may have access and receive certain non-public information about the other and its affiliates including, not limited to, product marketing philosophy, telemarketing design and service, product advantages and disadvantages, financial, demographic and actuarial information, eligibility guidelines, internal policies concerning enrolment, billing and other information and/or proprietary materials which are considered confidential or proprietary to the disclosing Party. This section is not intended to grant the parties rights to confidential information, but to circumscribe the use that the parties may make of any information to which they have access.
- ii) General Agent may have access to or receive confidential information about enrollees. All such information of enrollees shall also be considered to be confidential by Agent and governed by applicable HIPAA regulations. This information shall not be disclosed to entities or persons not a party to this Agreement unless required or authorized by law.
- iii) Each Party hereto agrees to and shall maintain the confidentiality of all such confidential and/or proprietary information and shall not disclose the same to any third party, except as may be required by law or court order, and shall not use such confidential and/or proprietary information for any reason other than the fulfilment of its obligation hereunder, for the term of the Agreement and thereafter.
- iv) Agent and HST shall execute the Business Associate Agreement in Attachment A.
- v) Each Party shall retain all ownership rights to its confidential and/or proprietary information.

- vi) Each Party recognizes that any breach or violation of this section may result in irreparable harm to the non-breaching party; each Party agrees that, in addition to any and all other remedies available, the non-breaching party shall be entitled to an injunction restraining the breaching party and any related person(s) from violating this section.
- vii) Agent is strongly encouraged to take annual HIPAA privacy training in order to stay updated on legal and compliance matters related to privacy.

E. Restrictive Covenants, Trade Secrets and Confidential Information.

Agent agrees that Agent will not, directly or indirectly, at any time during the term of this Agreement, or after the termination of this Agreement, engage in a course of action designed to induce or attempt to induce any of HST's policy holders to terminate or replace any policies or to otherwise disturb the relationship between HST and any of HST's policyholders.

- i) After the termination of this Agreement, Agent will not for a period of two (2) years directly or indirectly disclose to any person, firm or corporation the names, addresses or any other information regarding the clients of HST or Companies, account information, policy information, or divulge any other confidential information concerning any business that HST or Companies has or may acquire and Agent agree that Agent will not for a period two (2) years solicit any existing clients of HST or Companies or divert any business from any account of HST or Companies.

This provision does not apply to any of Agent's clients that are with Agent prior to the effective date of this Agreement as long as there is no outstanding advance or chargeback due to HST on the termination date.

- ii) Agent acknowledges that Agent has carefully read and considered the provisions of this Restrictive Covenant and agrees that these provisions, including, but not limited to the time period are reasonable, fair and required for the protection of HST and Companies interests and Agent agrees that in the event that any of the said provisions are found to be invalid and unenforceable, the remaining provisions shall continue to be valid and enforceable. In the event any provisions are found by a court of a competent jurisdiction to be unreasonable and unenforceable the modification by said court to a reasonable and enforceable restriction is hereby approved by Agent.
- iii) Agent acknowledges damages alone will not be adequate to compensate HST for such failure as any such damages are speculative. Agent acknowledges that, in the event of a breach of this provision, HST will not have an adequate remedy at law. Accordingly, the parties agree that HST may institute an action against Agent for injunctive relief to prohibit Agent from continuing any conduct that is in violation of Agent's agreements hereunder.

F. Commissions.

- i) Commissions will be credited to Agent's account at such time as the premium is collected by HST from the Companies. Agent's commissions are subject to the following terms and conditions of this Agreement.
- ii) If Agent's monthly statement has a debit balance, no payments will be due Agent; if Agent's monthly statement has a credit balance, Agent is eligible to receive payment within thirty (30) days after the month-end provided: a) Agent has not been advised by HST that there is a dispute concerning Agent's account or adherence to the Agreement; b) each of the Companies have paid the commissions on Agent's account to HST; and c) Agent is in active status with HST.
- iii) Commission credits to Agent for premiums collected will be reversed and debited to Agent's account if Companies subsequently refund such premiums.
- iv) When a policy is issued, which in the judgment of HST is to replace a policy issued by Companies, future earned commissions and/or renewal commissions, if any, shall be terminated by HST on such terminated policies.
- v) The use of HST's leads before or after termination to solicit insurance for any non-HST Companies or non-HST products will constitute a "for cause" termination. All future commissions will be forfeited.

G. General Commissions Provision.

Should Agent, at any time, either before or after termination of this Agreement:

- i) Wrongfully withhold any funds belonging to an applicant for insurance, policyholder, HST or Companies or should Agent induce or attempt to induce any policyholder to lapse, relinquish or surrender a policy of Companies or should Agent fail to comply with the insurance laws or regulations of any state, no commissions, whether vested or otherwise, shall thereafter be payable under this Agreement.

Agent also agrees that during the duration of this Agreement and after termination of this Agreement, Agent will not indirectly or directly attempt or influence an HST agent to terminate his or her relationship with HST, nor will Agent recruit an agent of HST. HST shall be entitled to injunctive relief to enjoin recruiting violations and/or replacing Company's policies in addition to any other remedies it shall have available to it.

- ii) If HST and/or Companies receive inquiries from State Insurance Regulatory bodies and/or policyholders sold by Agent which requires Agent to answer to their and HST's satisfaction. Agent agrees to respond within ten (10) days of notification. Notification shall be mailed to Agent at your last known address. Failure to respond to HST and/or the State will result in your waiving all rights to any compensation payable pursuant to this Agreement.

- iii) If Agent violates provisions of this Agreement, all commissions due to Agent as of the date of the violation or commissions due in the future will be forfeited and terminate.

H. Bonuses and Discretionary Payments.

At the end of each calendar year, the owners of HST, at their sole discretion, may choose to make discretionary bonus payments to Agent in a lump sum or paid out over time. Agent has read this provision and understands that any payments made over and above commissions are entirely discretionary and are not part of Agent's ordinary compensation or commissions.

I. Indebtedness Assignment, Offset and Demand.

All amounts advanced to Agent directly or on Agent's behalf by HST shall be considered loans to Agent by HST,

- i) Assignment - Agent assigns to HST all commissions owed Agent as security for the repayment of any indebtedness owed to HST.
- ii) Offset - In addition to any other legal remedies, HST shall have the right to offset amounts payable to Agent by HST against indebtedness Agent owes HST.
- iii) Interest - All advances made to Agent or on Agent's behalf by HST are loans to Agent and shall bear interest at the rate of zero percent (0%) per month on the unpaid balance.

J. Accounting.

During the term of this Agreement, HST agrees to furnish monthly statements to Agent of transactions affecting Agent's account. Agent has the responsibility to review Agent's statements from HST and advise HST of any errors within thirty (30) days of receipt of said statements.

K. Company Materials and Records.

All books, records, printed materials, leads and other documents furnished by HST or Companies are at all times the property of HST or said Companies, and must be returned to HST or Companies within ten (10) days after termination of this Agreement. Agent may not retain copies or use any information contained therein.

L. Active Standing and Vesting requirements.

- i) HST and Agent agree to the Active Standing and Vesting requirements in Attachment B.
- ii) Upon termination of this Agreement, all leads, supplies, materials, trade secrets, properties, marketing, logos, software, electronic materials shall be returned to HST by Agent within twenty four (24) hours of said termination.

M. Damages.

Agent understands that his or her damages for a breach of this Agreement are limited solely to outstanding, due and owing commissions. Agent is not entitled to, or owed, any discretionary compensation. Commissions will be calculated pursuant to the terms of this Agreement.

N. Attorneys' Fees.

Agent agrees that if Agent brings any legal action for breach of this Agreement against HST, its officers, heirs, agents, owners, and assigns, and does not receive a judgment in his or her favor or settle the matter outside of court, Agent will be responsible for payment of HST's attorneys' fees incurred in connection with the defense of any legal action asserted by Agent for a breach of this Agreement.

O. Service Fees

- i) Service Fee is defined as an insurance producer or business entity charging any fee or compensation separate from commissions deductible from, or directly attributable to, premiums on insurance policies or contracts.
- ii) HST does not endorse in any way Agent charging a customer a Service Fee of any kind. If Agent does charge a Service Fee to a customer, HST will not be responsible for collecting the fees, required record keeping, or any legal or regulatory consequences that may occur from a customer, a State Department of Insurance, or any other entity.
- iii) Agent acknowledges that Agent is familiar with state specific requirements associated with charging Service Fees.
- iv) The Agent agrees to indemnify, defend and hold harmless HST and its directors, officers, employees, agents and affiliated companies from and against any claims, suits, liabilities, costs, damages and expenses whatsoever, including reasonable attorney's fees and exemplary or punitive damages, to the extent arising out of or resulting from, in whole or in part a Service Fee that Agent charges a customer.

P. General Conditions.

- i) Waiver. The failure of HST to enforce any part of this Agreement at any time does not mean that HST waives the right to do so in the future.
- ii) Indemnification. The Agent and HST each agree to indemnify, defend and hold harmless the other and its directors, officers, employees, agents and affiliated companies from and against any claims, suits, liabilities, costs, damages and expenses whatsoever, including reasonable attorney's fees and exemplary or punitive damages, to the extent arising out of or resulting from, in whole or in part, (a) the negligence or wilful misconduct of the Indemnifying Party, its directors, officers, employees, agents or subcontractors in the performance of this contract; (b) any breach by the Indemnifying Party, its directors, officers, employees, agents or subcontractors of its agreements, obligations, representations or warranties hereunder as determined by a court of competent jurisdiction; or (c) any violation

by the Indemnifying Party, its directors, officers, employees, agents or subcontractors of federal, state or local laws or regulations or other requirements.

Each party shall notify the other party of any claim for loss or damage for which it may seek indemnification, including but not limited to receipt of service of process of any such suit and shall have the reasonable right to approve counsel used to defend the applicable party pursuant to this Section.

This Section shall survive termination of the Agreement.

- iii) **Governing Law.** This Agreement, and all related agreements, shall be constructed under the laws of the State of Illinois. Any dispute arising under this Agreement shall be brought in the 18th Judicial Circuit Court of DuPage County, Illinois.
- iv) **Entire Agreement.** This is the entire Agreement and may not be modified except in writing signed both parties. Further, all parties acknowledge that this is the only Agreement that exists between HST, Agent and Companies as of the time of execution.
- v) **Dispute Resolution; Equitable Relief; Jury Trial.** 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 the confidentiality or data protection provisions 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).

Further, all parties hereby waive the right to a jury trial.

- vi) **Electronic Signature.** Agent understands that an electronic signature to this Agreement is as binding as a wet signature.

Agent's Signature

Agent's Name (please print)

HST Officer Signature

Effective Date

Attachment A

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (this “*Agreement*”) is entered into as of _____ (the “*Effective Date*”), by and between National Health Insurance Company, a Texas corporation, its parent, affiliates, related entities, and subsidiaries, with offices located at 2200 Highway 121, Bedford, Texas 76021 (the “*Covered Entity*”), and _____ of _____ (the “*Business Associate*”). Covered Entity and Business Associate are at times referred to herein individually as “*Party*” and collectively as “*Parties*.”

WHEREAS, Covered Entity and Business Associate have an existing relationship under which Covered Entity will make available and/or transfer to Business Associate certain Protected Health Information (defined below), in conjunction with the performance of a function or activity that is being provided by Business Associate to Covered Entity, which is confidential and must be afforded special treatment and protection under the Privacy Rule (defined below) and the Security Rule (defined below), including the amendments to such rules contained in the HITECH Act (defined below).

WHEREAS, Business Associate will have access to and/or receive from Covered Entity certain Protected Health Information that can be used or disclosed only in accordance with this Agreement, the Privacy Rule and the Security Rule.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Covered Entity and Business Associate agree as follows:

1. **Definitions.** Terms used, but not otherwise defined, in this Agreement have the same meaning as those ascribed to the terms in the Health Insurance Portability and Accountability Act of 1996 (as amended by the Health Information Technology for Economic and Clinical Health Act, Subtitle D of Title XIII of Division A of the American Recovery and Reinvestment Act of 2009 (the “*HITECH Act*”), and the regulations promulgated thereunder as set forth in the Code of Federal Regulations (“*C.F.R.*”) at Title 45, Part 160, Part 162 and Part 164, and other applicable laws (collectively, “*HIPAA*”). In addition, the following terms shall have the following meanings:

1.1 “*Breach*” means the unauthorized acquisition, access, use or disclosure of Protected Health Information in a manner not permitted by the Privacy Rule which compromises the security or privacy of the Protected Health Information, as described in 45 C.F.R. 164.402.

1.2 “*Business Associate*” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean _____.

1.3 “*Covered Entity*” shall generally have the same meaning as the term “covered entity” as 45 CFR 160.103, and in reference to the party to this agreement shall mean Healthcare Solutions Team, LLC.

1.4 “**Electronic Health Record**” means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.

1.5 “**Electronic Protected Health Information**” shall mean individually identifiable health information that is transmitted or maintained by electronic media as described in HIPAA.

1.6 “**HHS**” shall mean the U.S. Department of Health and Human Services.

1.7 “**Individual**” shall mean the person who is the subject of the Protected Health Information, and has the same meaning as the term “individual” is defined in HIPAA, and shall include a personal representative in accordance with 45 C.F.R. 164.502(g).

1.8 “**Privacy Rule**” shall mean the Standards for Privacy of Individually Identifiable Health Information, C.F.R. at Title 45, Parts 160 and 164.

1.9 “**Protected Health Information**” shall have the same meaning as the term “protected health information” as described in HIPAA, limited to the information created or received by Business Associate from, or on behalf of, Covered Entity.

1.10 “**Required By Law**” shall have the same meaning as the term “required by law” in HIPAA.

1.11 “**Secretary**” shall mean the Secretary of HHS or his or her designee.

1.12 “**Security Rule**” shall mean the Standards for the Security of Electronic Protected Health Information, C.F.R. at Title 45, Parts 160, 162 and 164.

1.13 “**Unsecured Protected Health Information**” has the same meaning as the term “Unsecured protected health information” as defined in Section 13402 of the HITECH Act and 45 C.F.R. 164.402.

2. **Permitted Uses and Disclosures by Business Associate.**

2.1 **General Uses and Disclosures.** Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity, including, without limitation, the services to be provided by Business Associate under the Independent Agent Agreement between Business Associate and Covered Entity (the “**Services**”), if such use or disclosure by Business Associate complies with the Privacy Rule’s minimum necessary policies and procedures required of Covered Entity (and/or Business Associate), and if such use or disclosure of Protected Health Information would not violate the Privacy Rule or the Security Rule if done by Covered Entity (and/or Business Associate).

2.2 **Limits On Uses And Disclosures.** Business Associate hereby agrees that it shall be prohibited from using or disclosing Protected Health Information provided or made available by Covered Entity for any purpose other than as expressly permitted or required (i) to perform the Services, (ii) by this Agreement or (iii) as Required by Law.

2.3 Disclosure For Management, Administration and Legal Responsibilities.

Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of Business Associate or to carry out Business Associate's legal responsibilities, provided that:

- i. The disclosure is Required by Law; or
- ii. Business Associate obtains reasonable assurances from the person or entity to whom the Protected Health Information is disclosed that: (i) the Protected Health Information will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and (ii) the person to whom the Protected Health Information is disclosed agrees to notify Business Associate within thirty (30) days of the date of any Breach with respect to Unsecured Protected Health Information (or any other security incident or breach with respect to Protected Health Information) such person received from Business Associate.

2.4 Data Aggregation Services.

Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide "Data Aggregation Services" (as defined by 45 C.F.R. 164.501) relating to the operations of the Covered Entity as permitted by 42 C.F.R. 164.504(e)(2)(i)(B).

3. Prohibited Uses and Disclosures. Business Associate shall not:

- i. Make or cause to be made any marketing communication about a product or service that is prohibited by Section 13406(a) of the HITECH Act;
- ii. Make or cause to be made any written fundraising communication that is prohibited by Section 13406(b) of the HITECH Act;
- iii. Disclose Protected Health Information to a health plan for payment or health care operations (as defined under the Privacy Rule) purposes if Covered Entity has advised Business Associate (or the Individual has notified Business Associate directly) that the Individual, or someone other than the health plan on behalf of the Individual, has (i) requested this special restriction, and (ii) paid out-of-pocket in full for the health care item or service to which the Protected Health Information solely relates, in accordance with Section 13405(a) of the HITECH Act; or
- iv. Directly or indirectly receive remuneration in exchange for Protected Health Information created, received, or maintained in connection with Business Associate's relationship with Covered Entity in accordance with Section 13405(d) of the HITECH Act, except as otherwise permitted by the HITECH Act; provided, however, that this prohibition shall not affect payment by Covered Entity to Business Associate.

4. **Business Associate Obligations.**

4.1 **Appropriate Safeguards.** Business Associate will establish and maintain reasonable and appropriate administrative, physical and technical safeguards to:

i. Prevent the use or disclosure of the Protected Health Information, other than as such use or disclosure is permitted by this Agreement or to perform the Services; and

ii. Protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity; and to ensure that any agent, including a subcontractor, to whom Business Associate provides such information, agrees to implement reasonable and appropriate safeguards to protect it by requiring agents and subcontractors to enter into a written agreement that meets the requirements of a business associate agreement as set forth in 45 CFR 164.504(e)(i).

4.2 **Security Rule.** Business Associate shall comply with the applicable policies and procedures and documentation requirements of the Security Rule set forth in 45 C.F.R. 164.308, 45 C.F.R 164.310, 45 C.F.R 164.312 and 45 C.F.R 164.316 as required by Section 13401(a) of the HITECH Act.

4.3 **Reports of Improper Use, Disclosure or Security Incidents.** Business Associate hereby agrees that it shall report to Covered Entity any:

i. Use or disclosure of Protected Health Information not provided for or allowed by this Agreement; and

ii. Security incidents in regard to the Electronic Protected Health Information of which Business Associate becomes aware.

4.4 **Subcontractors and Agents.** Business Associate will use commercially reasonable efforts to ensure that any agent, including a subcontractor, to whom Business Associate provides Protected Health Information, created or received by Business Associate on behalf of Covered Entity, agrees (or has agreed) to:

i. The same restrictions and conditions that apply to Business Associate in this Agreement to such Protected Health Information; and

ii. Implement reasonable and appropriate safeguards to protect the Electronic Protected Health Information.

4.5 **Right of Access to Protected Health Information.** Except as otherwise limited in this Agreement, Business Associate hereby agrees to provide access to Protected Health Information in a Designated Record Set (if applicable and as defined in HIPAA) to Covered Entity or, as directed by Covered Entity, to an Individual or Individual's designee in order to meet the requirements under 45 C.F.R. 164.524, at the written request of Covered Entity. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill Covered Entity's obligations under the HITECH Act.

4.6 Amendments to Protected Health Information. Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set, if applicable, that Covered Entity directs or agrees to pursuant to 45 C.F.R. 164.526, at the request of Covered Entity or an Individual, and in a reasonable time and manner. If any Individual requests an amendment of Protected Health Information directly from Business Associate (or Business Associate's subcontractors or agents), Business Associate will notify Covered Entity following the request. Any approval or denial of amendment of Protected Health Information maintained by Business Associate (or Business Associate's subcontractors or agents) shall be the responsibility of Covered Entity.

4.7 Access to Books and Records. Except as otherwise limited in this Agreement, Business Associate agrees to make its internal policies, procedures, practices, books and records relating to the use, disclosure and safeguarding of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, available to the Secretary or Covered Entity, in a reasonable time and manner, for purposes of the Secretary's determining Covered Entity's compliance with the Privacy Rule and the Security Rule.

4.8 Documentation of Disclosures. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

4.9 Provide Accounting of Disclosures. Except as otherwise limited in this Agreement, Business Associate agrees to provide to Covered Entity or an Individual, in a reasonable time and manner, information collected in accordance with Section 4.8 of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528 and, if applicable, Section 13405(c) of the HITECH Act. In the event that the request for an accounting is delivered directly to Business Associate (or Business Associate's subcontractors or agents), Business Associate shall forward a copy of the request to Covered Entity. It shall be Covered Entity's responsibility to prepare and deliver any such accounting requested.

4.10 Mitigation Procedures. Business Associate agrees to mitigate, to the extent commercially reasonable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

4.11 Notification of Breach. Except as otherwise provided under the HITECH Act, Business Associate agrees to notify Covered Entity immediately following the date of discovery of a Breach of Unsecured Protected Health Information as follows:

i. A Breach shall be deemed discovered by Business Associate when Business Associate actually knows of the Breach or, by exercising reasonable diligence, would have known of the Breach; and

ii. The notification required by this Section 4.11 shall be made in accordance with Section 13 and shall include, to the extent possible, (i) the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, used, or disclosed during the Breach, (ii) a brief

description of what happened, including the date of the Breach and the date of the Business Associate's discovery of the Breach, if known, (iii) a description of the types of Unsecured Protected Health Information involved in the Breach, (iv) any steps affected Individuals should take to protect themselves from potential harm resulting from the Breach, (v) a brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against further Breaches, and (vi) contact procedures for affected Individuals, which shall include a toll-free telephone number, an e-mail address, web site, or postal address

5. **Covered Entity Obligations.**

5.1 **Provide Notice.** Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. 164.520, as well as any changes to such notice, in a reasonable time and manner, when such copy of the notice or amended notice is required for compliance with the Privacy Rule.

5.2 **Obtain Authorization.** Covered Entity shall obtain any consent or authorization by Individuals that may be required by applicable federal or state laws and regulations prior to furnishing Business Associate the Protected Health Information.

5.3 **Provide Changes of Authorization or Permission.** Covered Entity shall provide, in writing and in a reasonable time and manner, Business Associate with any changes in, or revocation of, authorization or permission by an Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

5.4 **Provide Restrictions.** Covered Entity shall notify Business Associate, in writing and in a reasonable time and manner, of any restrictions to the use or disclosure of Protected Health Information changing Business Associate's obligations that Covered Entity has agreed to in accordance with 45 C.F.R. 164.522.

5.5 **Permissible Requests by Covered Entity.** Covered Entity shall not request that Business Associate use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule, the Security Rule or this Agreement if done by Covered Entity.

6. **Term.** The term of this Agreement shall commence as of the Effective Date, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity in compliance with Section 9 of this Agreement.

7. **Termination for Cause.**

7.1 **By Covered Entity.** In accordance with Section 13404 of the HITECH Act, if Covered Entity knows of a pattern of activity or practice of Business Associate that constitutes a material breach or violation of Business Associate's obligations under this Agreement, Covered Entity shall provide written notice of such breach to Business Associate and provide an opportunity for Business Associate to cure the breach or end the violation within 30 business days from the date Business Associate receives the written notice from Covered Entity. If Business Associate does not cure the breach or end the violation within the stated cure period, Covered Entity may immediately terminate this Agreement and the underlying services agreement. In addition,

Covered Entity may terminate this Agreement immediately without opportunity for cure if Covered Entity and Business Associate agree that cure is not reasonably possible or if Covered Entity deems such immediate termination to be appropriate under the circumstances.

7.2 By Business Associate. In accordance with Section 13404 of the HITECH Act, if Business Associate knows of a pattern of activity or practice of Covered Entity that constitutes a material breach or violation of Covered Entity's obligations under this Agreement, Business Associate shall provide written notice of such breach to Covered Entity and provide an opportunity for Covered Entity to cure the breach or end the violation within 30 business days from the date Covered Entity receives the written notice from Business Associate. If Covered Entity does not cure the breach or end the violation within the stated cure period, Business Associate may immediately terminate this Agreement and the underlying services agreement. In addition, Business Associate may terminate this Agreement immediately without opportunity for cure if Business Associate and Covered Entity agree that cure is not reasonably possible or if Business Associate deems such immediate termination to be appropriate under the circumstances.

8. **Special Termination.** In the event that any federal, state or local law or regulation currently existing or hereinafter enacted, or any final or non-appealable construction or interpretation of such law or regulation (whether federal, state or local) or enforcement of such laws or regulations hereinafter occurs that makes performance of this Agreement impossible or illegal, the Parties mutually agree to enter into a modification of this Agreement to make substantial performance of this Agreement possible. However, should the Parties be unable to agree upon an appropriate modification to comply with such requirements following thirty (30) days of good faith negotiations, either Party may give written notice to immediately terminate this Agreement and, in such event, Business Associate shall discontinue services for Covered Entity.

9. **Effect of Termination.**

9.1 Return of Protected Health Information. Except as otherwise limited in this Agreement, and except as provided in Section 9.2 of this Agreement, upon termination of this Agreement for any reason, Business Associate hereby agrees to return all Protected Health Information received from Covered Entity or created or received by Business Associate on behalf of Covered Entity or destroy such Protected Health Information. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information, except as permitted by Section 9.2 of this Agreement.

9.2 Retention of Protected Health Information. Except as otherwise limited in this Agreement, in the event that Business Associate determines that returning or destroying the Protected Health Information in accordance with Section 9.1 of this Agreement is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction of the Protected Health Information not feasible and shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction not feasible, for as long as Business Associate maintains such Protected Health Information.

10. **Indemnification.** Except as otherwise limited in this Agreement, the Parties agree that they shall mutually indemnify and hold harmless each other against any claims, liabilities, damages, and expenses, including reasonable attorneys' fees, incurred in defending or

compromising actions brought against them arising out of or related to their or their employees' acts or omissions in connection with their negligent or fraudulent performance of their applicable duties under this Agreement. This indemnity shall be in proportion to the amount of responsibility found attributable to indemnifying Party.

11. **Survival of Obligations.** Except as otherwise limited in this Agreement, termination of this Agreement shall not relieve either Party from fulfilling any obligation under this Agreement, including but not limited to, Sections 9 and 10 hereof, or any other agreement between the Parties that, at the time of termination, has already accrued to the other Party or which thereafter may accrue with respect to any act or omission that occurred prior to such termination.

12. **Binding Nature and Assignment.** This Agreement shall be binding on the Parties hereto and their successors and assigns, but neither Party may assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld.

13. **Notices.**

All notices and other communications hereunder shall be in writing and shall be deemed given if delivered in person, by an overnight express delivery service (e.g., Federal Express) or by registered or certified mail (postage prepaid, return receipt requested) to the other party at the following addresses (or at such other address for a party as shall be specified by like notice; provided that notices of a change of address shall be effective only upon receipt thereof):

If to Covered Entity:

Health Care Solutions Team, LLC
1900 S. Highland Ave.
Lombard, IL 60148

If to Business Associate:

Any notice or other communication pursuant to this Agreement shall be deemed to have been duly given or made and to have become effective upon the earliest of (a) when delivered in hand to the party to which directed, (b) if sent by first-class mail postage prepaid and properly addressed as set forth above, at the time when received by the addressee, and receipt has been confirmed, (c) if sent by overnight express delivery service, the next succeeding day after being sent, provided that receipt has been acknowledged by such service, or (d) with respect to delivery by certified mail, return receipt requested, when delivery thereof, properly addressed as set forth above, is made by the U.S. Postal Service.

14. **Cooperation.** Both Business Associate and Covered Entity acknowledge that mutual cooperation and assistance is essential to each Party's performance under this Agreement; therefore, it will be the duty of both Parties to make all good faith efforts to fully cooperate in the execution of this Agreement.

15. **Headings.** The headings of this Agreement are inserted for convenience only and are not to be considered in the interpretation of this Agreement. They shall not in any way limit the scope or modify the substance or context of any sections of this Agreement.

16. **Force Majeure.** Neither Party shall be liable or be deemed in breach of this Agreement for any failure or delay of performance that results, directly or indirectly, from acts of God, civil or military authority, public disturbance, accidents, fires, or any other cause beyond the reasonable control of either Party, and such nonperformance shall not be grounds for termination.

17. **Attorney's Fees.** Except as otherwise limited in this Agreement, if any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, misrepresentation, or injunctive action, in connection with any of the provisions of this Agreement, each Party shall bear their own legal expenses and the other costs incurred in that action or proceeding.

18. **Regulatory References.** A reference in this Agreement to a section in the Privacy Rule and/or the Security Rule means the section as in effect or as amended, and for which compliance is required.

19. **Third Party Beneficiaries.** Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person or entity other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations or liabilities whatsoever.

20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which alone and all of which together shall constitute one and the same instrument. The signature of a Party set forth on a counterpart hereof and transmitted by facsimile or other electronic transmission (including by email in portable document format (pdf) to the other parties shall be of the same force and effect as if the executing Party had delivered a counterpart bearing an original signature.

21. **Severability.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, rule or regulation, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof. The remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

22. **Waivers.** The failure of a Party at any time or times to require performance of any provision of this Agreement shall in no manner affect such Party's right at a later time to enforce such provision. No waiver by a Party of any provision or breach of this Agreement shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver in other any instance.

23. **Relationship.** Business Associate is acting as an independent contractor of Covered Entity with respect to this Agreement. Nothing in this Agreement shall create or be

deemed to create the relationship of employer/employee, partners, joint ventures, or principal-agent between the Parties.

24. **Amendment.** Except as otherwise limited in this Agreement, the Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the Parties to comply with the requirements of the Privacy Rule, the Security Rule, HIPAA and the HITECH Act. No changes in or additions to this Agreement shall be recognized unless incorporated herein by written amendment by the Parties, such amendment(s) to become effective on the date stipulated in such amendment(s). No discharge of obligations arising under this Agreement shall be valid unless in writing and executed by the Party against whom such discharge is sought to be enforced.

25. **Interpretation.** Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Parties to comply with the Privacy Rule and the Security Rule.

IN WITNESS WHEREOF, Business Associate and Covered Entity have caused this Agreement to be signed and delivered by their duly authorized representatives, effective as of the Effective Date.

BUSINESS ASSOCIATE:

By: _____

Print Name: _____

COVERED ENTITY:

**Healthcare Solutions Team, LLC, Affiliate
of National Health Insurance Company**

By: _____

Print Name: Joseph Eichman

Title: President

Attachment B

Active and Standing Vesting Requirements

A. Agent must issue a minimum of twelve (12) applications (across any and all Companies and product lines) for each calendar quarter that this Agreement remains in effect.

- i) Failure to meet the minimum application requirement for two quarters in any calendar year shall result in such calendar year not counting toward vesting as provided below.

B. If this Agreement is terminated prior to vesting, commissions will immediately terminate upon the termination of this Agreement. The following vesting schedule shall apply to the payment of commissions:

- i) two full years after the completion of the calendar year in which the contract was signed - two years renewals;
- ii) three full years after the completion of the calendar year in which the contract was signed - three years renewals;
- iii) four full years after the completion of the calendar year in which the contract was signed - four years renewals;
- iv) five full years after the completion of the calendar year in which the contract was signed - life of policy.

A five percent (5%) administrative fee shall be deducted from any commission payable per the above vesting schedule.

C. If commissions after termination total less \$250.00 in a calendar month Agent shall forfeit all future commissions due Agent.