



ASSOCIATE AGREEMENT

Complete the **Prospective Associate's Application and Profile**, Sign, Date and Return. On Page 4 indicate the commission level for each company you are requesting the agent be contracted with. If you provide this information for only one company and multiple companies are checked on the top of the first page of the Associate' application we will use this level for all companies. For a list of commission level codes to use please contact your upline manager.

Important Note: If contracting a corporate agency both the signature lines that are provided for the individual seeking to be contracted and corporate officer must be signed.

Review and sign the **Authorization To Conduct A Background Investigation**. Be sure to include the signed copy when returning your completed application.

Review the **Associate Agreement**, and keep for your records.

Review the **Commission Schedule** (specific insert by insurance company).

Review the **AML Producer's Guide** and keep for you records.

Review the **Vector One Debt Check Authorization** and keep for your records.

If requesting commission advances,

Review the **Associate Advance and Pledge Agreement**, and keep for your records.

Review the **Associate Promissory Note**, and keep for your records.

PLEASE MAKE SURE YOU SEND IN THE FOLLOWING:

Enclose a copy of your **current resident license** and non-resident licenses for all other state(s) where you desire to be appointed.

We will debit the state appointment fees from your commission when required to appoint you in a given state.

Enclose a copy of your completed **W-9** form.

Return all contracting paperwork to the home office at:

Fax: (888) 832-4154

Email: CSBLicensing@Cignahealthcare.com

**Mail: P.O. Box 5700
Scranton, PA 18505-5700**

ATTN: Agent Contracting

Cigna Healthcare Supplemental Benefits
**PROSPECTIVE ASSOCIATE'S
APPLICATION & PROFILE**

Please check each company you wish to be contracted with* (herein collectively referred to as "Company"):

- American Retirement Life Insurance Company
 Cigna Insurance Company
 Loyal American Life Insurance Company
- Cigna Health and Life Insurance Company
 Cigna National Health Insurance Company
 Medco Containment Life Insurance Company

Initial states you wish to be appointed in*: _____

*Applications for insurance solicited for a Company or in a State not checked or listed above will be deemed to be an amendment to this application for contracting and be processed by the Company as if this application included that Company or State.

I. PERSONAL INFORMATION

Full Name _____
First Middle Last

National Producer Number _____ Email _____

Date of Birth _____ / _____ / _____ Gender _____ SSN _____

Residence Address _____
Street City State County Zip

Mailing Address _____
Street City State County Zip

Phone _____ Fax _____ Mobile Phone _____
Providing your cell/mobile number allows us to send text alerts

Your Med Supp 1st year annualized issued premium for the past 12 months was: \$ _____ Final Expense \$ _____
Other Supplemental Products \$ _____. (For amounts of \$250,000 or more submit proof of production with this application).

II. BUSINESS, LICENSE and COMMISSION PAYMENT INFO (Please attach copies of current licenses in all states you wish to be appointed.)

Please fill out all information.

Do you currently have E & O Coverage Yes No If "Yes," attach declaration page to application
Are you applying for an advance? Yes No If yes, choose Med Supp advance: 15 MO 12 MO 9 MO 6 MO
If yes, choose advance for all other products: 9 MO 6 MO

Please Note: Only Med Supp policies are eligible for a 12 or 15 month advance. All other products are eligible for a 9 month maximum advance.

AGENCY/CORPORATE DATA (complete only if you want to be contracted as an agency or corporation). Corporation must be licensed in order to receive commission. **Note: Both signature lines in Section IV must be signed if applying as corporation.**

Corporate Name: _____ Corp. Tax I.D. Number: _____

Mailing Address _____
Street City State County Zip

Phone _____ Fax _____ Email _____

Make commissions payable to: Individual Corporation Corp. National Producer Number _____

Direct Deposit/Automatic Draft Agreement

I hereby authorize the Company to deposit any amounts advanced or owed to me by initiating credit entries to my account at the financial institution (hereinafter "Bank") noted on this form. I authorize the bank to accept and to credit these entries to my account. In the event the Company erroneously deposits funds into my account, I authorize the Company to debit my account to recover these erroneous deposits. **I further authorize the Company to initiate electronic debit entries to my account for the payment of my appointment fees (the entry will appear with a description of "SUPPBENFT").** This authorization shall remain in full force until the Company and Bank have received written notice from me of its termination in such time and manner as to afford the Company and Bank reasonable opportunity to act on it.

Agt. Name: _____ Agent No.: _____ Checking Savings

Bank Name: _____ Routing No.: _____ Acct. No.: _____

III. BACKGROUND INFORMATION

Please answer all questions. **If you answer "Yes" to any of the questions, please explain in the area below or attach a separate sheet with details.**

- | | | | |
|----|---|---------------------------------|--------------------------------|
| 1) | Are you or have you ever been appointed with American Retirement Life Insurance Company, Cigna Health Life Insurance Company, Cigna Insurance Company, Cigna National Health Insurance, Continental General Insurance Company, Loyal American Life Insurance Company, Medco Containment Life Insurance Company, Provident American Life & Health Insurance Company, and/or United Teacher Associates Insurance Company? Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 2) | Are you currently charged with or have you ever pled guilty or no contest to, or been convicted of, any crime (excluding minor traffic offenses and including disclosure of expunged or sealed records?)
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 3) | Are you now or have you ever been the subject of any lawsuit, claim, investigation or proceeding alleging breach of trust or fiduciary duty, forgery, fraud, or any other act of dishonesty?
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 4) | Have you ever had your agent's license or registration suspended or revoked, or are you now, or have you ever been the subject of any professional license/registration or market conduct investigation, claim or proceeding?
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 5) | Have you ever been involuntarily terminated or permitted to resign from employment or from an agent or representative appointment, with any insurance or other financial services company other than for lack of production?
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 6) | Has a bonding, surety or E&O provider denied an application or claim, made payment for you or terminated coverage?
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 7) | Are you delinquent in any personal or business financial obligations, or does any insurance or financial services company hold a claim against you for commission debit balances?
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 8) | Are there any outstanding judgments, liens or claims against you, including delinquent tax obligations, or have you or any business in which you were or are an owner, partner, officer or director, ever filed bankruptcy?
BANKRUPTCY DISCHARGE/DISSMISSAL DATE _____
Explanation | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |

IV. NOTICE

I certify that the information contained herein is true and complete to the best of my knowledge and belief. I understand that failure to provide true and complete information in this application may result in the denial of this request for appointment and/or subsequent termination thereof. I agree that an electronic version, fax or photocopy of this application shall be as valid and binding as an original. I understand and agree that, unless otherwise allowed by law, I am not authorized to solicit business for the Company until my license and appointment have been secured. **I certify that I have read and fully agree to the terms and conditions set forth in the Associate Agreement including Section 20 which sets forth the terms and provisions relating to Mandatory Binding Arbitration. If I have requested advance commissions, I have read and fully agree to the terms and conditions set forth in the Advance Pledge Agreement and the Promissory Note and reviewed the AML Producer's Guide attached to this Application. I have read and fully agree to the terms and conditions set forth in the Commission Schedule provided to me by my up-line. I hereby agree to be bound by all terms.** Under penalty of perjury, I certify that the Social Security Number or taxpayer identification number shown on this form is my correct taxpayer identification number and I am not subject to backup withholding by the Internal Revenue Service.

Signature of individual requesting to be contracted with the Company as an Associate	Date
Signature of Corporate Officer (if Corporation) or Principal Licensed Agent (if non-Corporation business entity) of business entity requesting to be contracted with the Company as an Associate	Date

V. TO BE COMPLETED BY UP-LINE RECRUITING AGENT

In consideration of the Company executing this application at my request, the undersigned does personally guarantee the performance of all terms, conditions and covenants of the Associate's Agreement, including the Associate Promissory Note and Associate Advance and Pledge Agreement attached to this Application and assumes personal liability and responsibility for any default in said terms, conditions and covenants. I understand that any and all commissions, both first year and renewal owing to me now or in the future under any contract I have entered into with the Company and its affiliates are hereby assigned as security for the repayment of sums guaranteed by my endorsement hereon and that I am personally responsible upon demand for monies owing hereunder. This guarantee shall survive the termination of any contractual relationship between the affiliates of the Company and the Agent or Up-Line Recruiting Agent.

Printed Name of Up-Line Recruiting Agent		Prospective Associate's Commission Level (e.g. MGA, GA, AGT II, etc.)					
Signature of Up-Line Recruiting Agent		ARLIC	CHLIC	CIC	CNHIC	Loyal	MCLIC
Up-Line Recruiting Agent's Number	Date						

AUTHORIZATION TO CONDUCT A BACKGROUND INVESTIGATION

For appointment purposes, I hereby authorize the Company to obtain a consumer report and/or investigative consumer report that includes information about my character, general reputation, credit worthiness, and personal traits. I hereby authorize all entities having information about me, including, but not limited to present and former employers, personal references, criminal justice agencies, departments of motor vehicles, schools, licensing agencies, and credit reporting agencies, to release such information to the Company or any of its affiliates. I agree that an electronic version, fax or photocopy of this authorization and release shall be as valid and binding as an original. I acknowledge receipt of the Fair Credit Reporting Act disclosure form included in this document.

For Maine Applicants Only – Upon request, you will be informed whether or not a consumer report was requested, and if such report was requested, the name and address of the consumer reporting agency furnishing the report. You may request and receive from us, within 5 business days of our receipt of your request, the name, address and telephone number of the nearest unit designated to handle inquiries for the consumer reporting agency issuing the investigative report concerning you. You also have the right, under Maine law, to request and promptly receive all such agencies copies of any reports.

For Washington Applicants Only – If we request an investigative consumer report, you have the right, upon written request made within a reasonable period of time, to receive from us a complete and accurate disclosure of the nature and scope of the investigation. You have the right to request from the consumer reporting agency a summary of your rights and remedies under state law. The consumer reporting agency which furnished the report is Business Information Group, P.O. Box 541, Southhampton, PA, 18966, Telephone (800) 260-1680. www.bigreport.com.

For California, Minnesota & Oklahoma Applicants Only – A consumer credit report will be obtained through Business Information Group, Inc. (B.I.G.), P.O. Box 541 Southhampton, PA, 18966, Telephone (800) 260-1680. www.bigreport.com. If a consumer credit report is obtained, I understand that I am entitled to receive a copy. I want a copy ____ (initials); I do not want a copy ____ (initials). If an investigative consumer report and/or consumer report is processed, I understand I am entitled to a copy. I want a copy ____ (initials); I do not want a copy ____ (initials). * California applicants: If you choose to receive a copy of the consumer report, it will be sent within three (3) days of the employer receiving a copy of the consumer report and you will receive a copy of the investigative consumer report within seven (7) days of the employer’s receipt of the report (unless you elected not to get a copy of the report). **BIG’s privacy practices with respect to the preparation and processing of investigative consumer reports may be found at www.bigreport.com (link at bottom of page entitled, “Legal/Privacy”).**

Signature of individual requesting to be contracted with the Company as an Associate	Date
---	------



Para información en español, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under FCRA. **For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identity theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.consumerfinance.gov/learnmore for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer

reporting agency, the agency must investigate unless your dispute is frivolous. See www.consumerfinance.gov/learnmore for an explanation of dispute procedures.

- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need – usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.consumerfinance.gov/learnmore.
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-567-8688.
- The following FCRA right applies with respect to nationwide consumer reporting agencies:

CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE

You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is

placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit www.consumerfinance.gov/learnmore.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. For information about your federal rights, contact:

TYPE OF BUSINESS:	CONTACT:
<p>1.a. Banks, savings associations, and credit unions with total assets of over \$10 billion and their affiliates</p> <p>b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the CFPB:</p>	<p>a. Consumer Financial Protection Bureau 1700 G Street NW Washington, DC 20552</p> <p>b. Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue NW Washington, DC 20580 (877) 382-4357</p>
<p>2. To the extent not included in item 1 above:</p> <p>a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks</p> <p>b. State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and Insured State Branches of Foreign Banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act.</p> <p>c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations</p> <p>d. Federal Credit Unions</p>	<p>a. Office of the Comptroller of the Currency Customer Assistance Group P.O. Box 53570 Houston, TX 77052</p> <p>b. Federal Reserve Consumer Help Center P.O. Box 1200 Minneapolis, MN 55480</p> <p>c. Division of Depositor and Consumer Protection National Center for Consumer and Depositor Assistance Federal Deposit Insurance Corporation 1100 Walnut Street, Box #11 Kansas City, MO 64106</p> <p>d. National Credit Union Administration Office of Consumer Financial Protection 1775 Duke Street Alexandria, VA 22314</p>
<p>3. Air carriers</p>	<p>Assistant General Counsel for Office of Aviation Consumer Protection Department of Transportation 1200 New Jersey Avenue SE Washington, DC 20590</p>
<p>4. Creditors Subject to the Surface Transportation Board</p>	<p>Office of Public Assistance, Governmental Affairs, and Compliance Surface Transportation Board 395 E Street SW Washington, DC 20423</p>
<p>5. Creditors Subject to the Packers and Stockyards Act, 1921</p>	<p>Nearest Packers and Stockyards Division Regional Office</p>
<p>6. Small Business Investment Companies</p>	<p>Associate Administrator, Office of Capital Access United States Small Business Administration 409 Third Street SW, Suite 8200 Washington, DC 20416</p>
<p>7. Brokers and Dealers</p>	<p>Securities and Exchange Commission 100 F Street NE Washington, DC 20549</p>
<p>8. Institutions that are members of the Farm Credit System</p>	<p>Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090</p>
<p>9. Retailers, Finance Companies, and All Other Creditors Not Listed Above</p>	<p>Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue NW Washington, DC 20580 (877) 382-4357</p>



Debit-Check Agent/Agency Authorization Form

Vector One Operations, LLC dba Vector One (collectively with its affiliates, "Vector One") manages the secured web portal interactive computer service provided by Debit-Check.com, LLC a ("Debit-Check"). This Debit-Check Agent/Agency Authorization Form is by and among the undersigned ("you", "me", "I" or "my"), Vector One, and the Company (as defined below) and is used by Debit-Check subscribers who desire to be granted authorization from you for the submission and/or receipt of your personal information to the Debit-Check service as necessary to conduct a commission related debit balance screening. The undersigned company and its affiliates and authorized third parties (collectively, the "Company") is a Debit-Check subscriber. Accordingly, as part of the contracting and appointment process or determination of eligibility for advancement of commissions, the Company may conduct a commission related debit balance screening via Debit-Check in order to determine your eligibility and may continue to conduct periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company.

Access to Debit-Check Information: You can obtain your commission related debit balance information by contacting the Vector One Agent Hotline at (800) 860-6546.

AGENT/AGENCY'S STATEMENT – READ CAREFULLY

The Company is hereby authorized to obtain and conduct a commission related debit balance screening through Vector One's Debit-Check secured web portal to determine if another Debit-Check subscriber has posted that I have an outstanding commission related debit balance. I understand that the Company may consider the results of the commission related debit balance screening in order to determine my eligibility to be contracted and appointed or determine my eligibility for advancement of commissions as an insurance producer and may continue to conduct periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company. I understand and acknowledge that the Company may obtain commission related debit balance information through Debit-Check as state law allows. I understand that my information, including my name and social security number ("My Information") may be used for the purpose of obtaining and conducting a commission related debit balance screening. I further understand that in the event of termination or expiration of my employment, appointment, contract, tenure, or other relationship with the Company, whether voluntary or involuntary, if a commission related debit balance is owed to the Company, the Company may post My Information to the Debit-Check service which may be accessed by Debit-Check subscribers until such time the debit balance is satisfied or otherwise removed.

BY SIGNING the ASSOCIATE AGREEMENT, I HEREBY:

Authorize the Company to use My Information for purposes of conducting a commission related debit balance screening, and periodic commission related debit balance screenings as determined in the Company's sole discretion following the engagement of any employment, appointment, contract, tenure, or other relationship with the Company, utilizing DebitCheck; Authorize the Company to consider the results of the commission related debit balance screening in order to determine my eligibility to be contracted and appointed or determine my eligibility for advancement of commissions as an insurance producer; Authorize and direct Vector One to receive and process My Information as necessary to intentionally disclose and furnish the results of my commission related debt verification screening, whether directly or indirectly, to the Company; Authorize the Company to submit My Information to the Debit-Check service in the event of termination or expiration of my engagement with the Company, whether voluntary or involuntary, to the extent a commission related debit balance is owed to the Company; Authorize and direct Vector One to receive and process My Information and intentionally disclose to any Debit-Check subscriber who submits an inquiry utilizing My Information the results of my commission related debit balance screening, which will contain My Information, to the extent a debit balance is owed.

ASSOCIATE AGREEMENT

THIS ASSOCIATE AGREEMENT ("Agreement") is made and entered into by and between the Company with administrative offices at 11501 Alterra Pkwy, Ste 500, Austin, Texas 78758, and the person or entity that executes this Agreement and whose address is set forth in the Prospective Associate's Application and Profile prepared and submitted in connection herewith (hereinafter, the "Associate, You, or Your.")

1. **COMPANY DEFINITION** – For purposes of this Contract and any applicable Compensation Schedules, Supplements or Addendums, all references to "Company" shall be defined to include each of the following companies the agent becomes appointed with: **American Retirement Life Insurance Company, Cigna National Health Insurance Company, Cigna Health and Life Insurance Company, Cigna Insurance Company, Loyal American Life Insurance Company, Medco Containment Life Insurance Company, and Provident American Life & Health Insurance Company.**

Section 1: Relationship and Scope of Authority

Subject to the provisions and limitations set forth in this Agreement and in reliance on the promises, representations and warranties of Associate, Company hereby appoints Associate to act as an agent for Company and to represent Company in promoting, soliciting sales of, and selling designated products offered by and through Company. The relationship of Associate and Company shall be that of an independent-contractor relationship, and nothing herein shall be construed to create the relationship of employee and employer, partners or co-venturers. Associate is free to exercise its own judgment as to the time and manner for performing services required under this Agreement. Associate is also free to exercise its own judgment as to the persons from whom Associate will solicit applications and the time and place of solicitation, subject to compliance with applicable law.

Associate is authorized to solicit applications with respect to the designated insurance products offered for sale through Company, to forward those applications for processing, to collect only the initial premium payment due on such applications for processing, to collect only the initial premium payment due on such applications in cases where appropriate (e.g. non-payroll deduct cases), to deliver policies of insurance as directed by Company (if the insured(s) is/are in good health and the initial premium has been paid) and to do any act or perform any duty specifically authorized by Company in writing.

Associate is authorized to recruit and recommend for appointment and contracting; agents, independent agents, brokers and other acceptable producing representatives for Company. For purposes hereof, all of the contracting agents, brokers and other acceptable producing representatives within the production hierarchy of Associate which are duly contracted with and appointed by Company are sometimes hereinafter referred to as "Subagents". Company reserves the sole discretion and right to approve or disapprove the appointment of any Subagent and to terminate any Subagent for any or no reason.

Associate represents and warrants to Company now and at all times during the effectiveness of this Agreement that Associate and all Subagents hold all licenses, certifications, bonds, and insurance necessary to perform services under this Agreement and on behalf of Company and that the state insurance jurisdiction over Associate or Subagents has not revoked, suspended, denied renewal or otherwise imposed restrictions or limitations on Associate's or any Subagents' licenses, certifications or qualifications necessary to perform under this Agreement and on behalf of Company.

Associate's authority shall not extend beyond the limited authority as set forth in this Agreement and in conjunction with that limited authority Associate hereby agrees and acknowledges that Associate has no authority to:

(i) act in any way contrary to the laws and regulations governing the business of insurance, the ethics of life and health business, including but not limited to, the Agent Code of Ethics and Procedures, and the rules and regulations of Company's as described in Company's manuals, rate books, and general instructions. (ii) contract debts or obligations in the name of Company's or obligate it in any way; bind or attempt to bind Company's by any promise or agreement, including but not limited to, obligation to insure; incur debt, expense or liability in Company's name; make, alter, waive or modify any of the terms or provisions of companies policies, applications or contracts, including riders and amendments; discharge any contract or waive any forfeiture; extend the time for payment of any premium or note; or waive payments in cash; or (iii) collect any premium, except the initial premium.

Section 2: Compensation

During the term of, and subject to provisions of, this Agreement (including, without limitation, the limitations contained in Section 6), and subject to the rules and regulations of Company, Company shall pay to Associate the commissions specified in the attached Commission Schedule on all business produced by it personally or by its Subagents, less any commissions or service fees due Subagents by reason of any contract between Company and such Subagents. Company may, in its sole discretion, determine commissions and renewal commissions on any policy not scheduled therein. Associate shall be solely responsible for paying all expenses incurred by Associate and its Subagents in performance of this Agreement. The Commission Schedule and any commissions payable there under may be modified from time to time by Company, in its sole discretion, upon ten (10) days written notice to Associate which may be contained in any Company Field Bulletin, email communication or other written communication by Company to Associate**. No change in commission rates shall affect compensation due or to become payable by the Company on policies or contracts of insurance issued prior to the date the change becomes effective, unless necessary to comply with requirements of a department of insurance or pertinent law, rule or regulation.

**In Washington, any attempt to alter commissions will be filed and approved by the Washington DOI office prior to implementing.

Section 3: Territory

During the term of this Agreement, Associate and its Subagents may solicit only in territories in which they and Company are duly licensed. No territory is assigned exclusively to Associate and/or its Subagents, and Company may authorize other agents and producers of Company to solicit sales of, sell and market insurance policies and products offered by Company in such territory. Company may, at any time in its sole discretion, discontinue conducting all or any part of its business within all or any party of Associate's territory or any other territory even if Company is still licensed and authorized therein.

Section 4: Responsibilities and Restrictions

Associate shall at all times comply with; and shall cause its Subagents to comply with, all of Company's rules and regulations as such may be amended from time to time and with all applicable federal and state laws and regulations. Associate shall comply with, and shall cause its Subagents to comply with, any and all rules and regulations in any Compliance Manual, Underwriting Manual or Sales Manual published by Company. Associate shall not (i) rebate any premiums or commissions to any party; (ii) make, alter or discharge any contract or policy; (iii) extend time for payment of any premium; (iv) waive any forfeiture, policy provision or premium payment; (v) modify any rate, receipt or requirement; (vi) endorse checks made payable to Company; (vii) advertise or publish any matter or thing concerning Company or its products without filing a proposed copy of such material with Company and obtaining approval, signed by an officer of Company; or (viii) undertake any act on behalf of Company other than as expressly authorized herein.

Associate shall be responsible for acquiring and maintaining, and causing its Subagents to acquire and maintain, all licenses in any territory in which Associate or any of its Subagents solicits, negotiates or sells insurance, as required by applicable law. Associate shall pay for all license fees, appointment fees, bond fees, and fees and taxes required by any federal, state or local government relative to Associate and its Subagents. Associate is solely and strictly responsible for the performance, fidelity and honesty of Associate's Subagents, employees and independent contractors, all of whom shall act in accordance with this Agreement. All premiums and funds collected by Associate or its Subagents in connection with the sale of any insurance policy or product shall be held by Associate in trust, and Associate shall act as trustee and fiduciary with respect to those premiums and funds, which will in no event be used by Associate or its subagents for personal, business or other purposes.

Associate agrees to work diligently to prevent lapsing and replacement of Insurance effected hereunder. All insurance placed by Associate shall be the property of Company. Associate covenants and agrees that it will not hold itself out to the public or others as an employee, partner, co-venturer or associate (other than as provided for herein) of Company, and further covenants and agrees that it will not execute contracts purporting to bind Company.

Section 5: Term

This Agreement may be terminated for any or no reason at any time by either party upon written notice to the other. In addition, Company, in its sole discretion, may terminate this Agreement "for cause" immediately upon mailing written notice to Associate's last known address if Associate:

- (i) commits any fraud or dishonesty in connection with the duties, services or actions being performed on behalf of Company or under this Agreement;
- (ii) violates any of the terms of this Agreement;
- (iii) violates any laws or regulations governing insurance sales in the state or states in which Associate is licensed and/or other laws or regulations of such state or territory which Associate has been assigned;
- (iv) is indicted or convicted of a felony;
- (v) publishes, distributes or uses any circulars, advertising, sales material or other matter referring to Company or to contracts or policies without first securing the written approval of Company as required herein;
- (vi) directly or indirectly engages in a pattern or practice of communicating with any Company policyholder for the purpose of replacing, canceling or otherwise terminating a Company policy;
- (vii) voluntarily or involuntarily dissolve (if an entity such as a corporation limited liability company, partnership, etc.);
- (viii) becomes insolvent or bankrupt, or make an assignment for the benefit of creditors or be in default of any obligation;
- (ix) violates any term of, or a default occurs under, any Note (defined below) or any Pledge Agreement (defined below).

If this agreement is terminated for cause, then all of Associate's rights to any compensation shall be immediately terminated and forfeited, including but not limited to all commissions and Vested Commissions (defined hereinafter).

Section 6: Commission Limitation, Vesting and Production

In consideration of Associate's services and Agreement as provided herein, Company shall pay to Associate compensation in the form of commission on premiums received by Company for issued policies as described in the appropriate commission schedule(s) ("Commission Schedules") subject to Section 2 of this Agreement which are incorporated herein by reference. The amount of commissions paid by Company on premiums shall be in accordance with the appropriate Commission Schedules executed between Company and Associate.

Commissions shall be paid on premium collected and earned by the Company. Commissions shall be paid, without interest thereon, within sixty (60) days of Company's receipt of premium payment and policy issuance. So long as Associate or any of its Subagents owes Company any Advances (defined hereinafter), Company may, in its sole discretion, apply all commissions owed by Company to Associate against such Advances.

Upon receipt of their commission statement, Associate shall immediately review the commission statement and notify Company of any disputes within sixty (60) days from date of the commission statement. Failure to notify Company within sixty (60) days shall result in Associate's acceptance of the Commissions as stated.

If for any reason, the Associate has an obligation to repay the Company or its affiliates that arises under this Agreement or any agreement with affiliates of the Company, such as, but not limited to, appointment fees paid by the Company for the Associate or its Subagents, and is charged to the Associates commission account, or a portion or all of the premium is returned to a policyholder, or a policy or product is cancelled, the commission paid or payable to Associate or its Subagents hereunder shall be adjusted accordingly, and Associate shall repay, upon notice (such notice shall include the commission statements of the Associate or its Subagents), any commissions received by the Associate or its Subagents on that premium. Or such obligations will be deducted from commissions otherwise payable to the Associate or its Subagents. Such obligations of the Associate to the Company shall bear interest, at a rate equal at all times to one percent (1%) per month. Interest shall accrue from the

date such obligation occurs until the date that such obligation has been paid in full. Interest will be calculated and added to the Associate's indebtedness periodically based on the frequency of commission payments to the Associate, which typically is on a biweekly basis, but may vary.

If this Agreement is terminated by Company for any reason other than for "cause," as defined in Section 5, Associate shall, except as otherwise provided in this Agreement, receive renewal commissions that accrue under the provisions of this Agreement, if any ("Vested Commissions"). The obligation to pay such Vested Commissions shall terminate when the total Vested Commissions so payable are less than \$600 in any twelve (12) month period. In the event of death of the Associate (if an individual), any Vested Commissions shall be paid directly to the estate of the deceased Associate or to any assignee or named beneficiary of Associate.

Unless otherwise expressly provided in the Commission Schedule Commissions are not payable on underwriting or substandard premium rate ups, renewal premium increases, or enrollment, administration, policy or similar fees.

If an Associate has not written business for a six month period of time, then such Associate may be reassigned to another hierarchy or entity designated by the Company.

Upon request from a Subagent, the Company, at its discretion, may transfer such Subagent to another agent's hierarchy with six (6) months advance written notice to Associate.

Section 7: Advances

Company may, at its discretion, make one or more advances to Associate or its Subagents (each an "Advance") in anticipation of future commissions payable by Company to Associate or its Subagents. All Advances shall be deemed loans made by Company to Associate and shall be reflected in Associate's account or accounts (collectively "Account") on the books of Company. Repayment of the Advances will be governed by the Promissory Note payable by Associate to Company ("Note") executed this date by Associate and the Advance and Pledge Agreement ("Pledge Agreement") between Company and Associate executed this date. Associate's obligations under the Note shall be secured by the Pledge Agreement between Company and Associate executed this date, which Note and Pledge Agreement are attached hereto and incorporated herein by reference. Associate agrees to repay the Advances and perform all other Obligations (as defined in the Pledge Agreement) in accordance with the terms of the Note and the Pledge Agreement. Company may set off against any Advances or other amounts owed by Associate or its Subagents to Company: the amount of any commissions owed by Company to Associate.

Section 8: Method of Remittance on New Applications

Associate shall immediately remit to Company all premiums collected or received by Associate or its Subagents. It is understood and agreed that, unless otherwise pre-authorized by the Company (e.g., specific arrangement for Worksite, Credit Union or direct response sales); Company will accept no application unless accompanied by the initial premium. No commission shall be deemed earned until the premium is paid and the policy is issued, delivered to applicant and accepted by the applicant.

Section 9: HIPAA Business Associate Agreement

1. Definitions

Capitalized terms used in this Business Associate Agreement shall have the meaning ascribed to them by the HIPAA Privacy and Security Rules and the HITECH Act, as applicable. If the meaning of any defined term used herein is changed by amendment to HIPAA or the HITECH Act, then the meaning of such defined term shall automatically change to correspond to the amended definition.

"**Breach**" shall mean the unauthorized acquisition, access, use, or disclosure of Unsecured PHI which compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information. As further provided under the HIPAA Privacy Rule, Breach does not include:

- (i) any unintentional acquisition, access, or use of PHI by an employee or individual acting under the authority of Associate if such acquisition, access, or use was made in good faith and within the course and scope of the employment or other professional relationship of such employee or individual with Associate; any inadvertent disclosure from an individual who is otherwise authorized to access PHI at a facility operated by Associate to another similarly situated individual at the same facility; and such information is not further acquired, accessed, used, or disclosed without authorization by any person.

"**Data Aggregation**" shall mean, with respect to the PHI created or received by Associate in its capacity as the Business Associate of Company, the combining of such PHI by Associate with the PHI received by Associate in its capacity as a Business Associate of another Covered Entity, to permit data analyses that relate to the Health Care Operations (defined below) of the respective Covered Entities. The meaning of "Data Aggregation" in this Agreement is consistent with the meaning given to that term in the HIPAA Privacy Rule.

"**Designated Record Set**" shall have the meaning ascribed to that term by the HIPAA Privacy Rule at 45 C.F.R. §164.501.

"**Electronic Media**" shall have the meaning ascribed to that term at 45 C.F.R. §160.103 and shall include (i) electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (ii) transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before transmission.

"**Electronic PHI**" shall mean Protected Health Information that is transmitted by or maintained in Electronic Media as that term is defined at 45 C.F.R. §160.103.

"**HIPAA**" shall mean the Health Insurance Portability and Accountability Act of 1996 and its implementing guidance and regulations, including the HIPAA Privacy Rules and the HIPAA Security Rule, all as may be amended from time to time.

"**HIPAA Privacy Rule**" shall mean those regulations relating to the privacy of PHI at 45 C.F.R. Parts 160 and 164, as may be amended from time to time.

"**HIPAA Security Rule**" shall mean those regulations relating to the security of electronic PHI at 45 C.F.R. Parts 160, 162, and 164, as may be amended from time to time.

“**HITECH Act**” shall mean the Health Information Technology for Economic and Clinical Health (HITECH) Act and its implementing guidance and regulations, all as may be amended from time to time.

“**Protected Health Information**” or “**PHI**” shall mean Individually Identifiable Health Information, as that term is defined under HIPAA at 45 C.F.R. §160.103, transmitted or maintained in any form or medium that Associate creates or receives from or on behalf of Company in the course of fulfilling its obligations under this Agreement or the applicable Associate Agreements. PHI shall not include (i) education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. §1232g, (ii) records described in 20 U.S.C. §1232g(a)(4)(B)(iv), and (iii) employment records held by Company in its role as employer.

“**Record**” shall mean any item, collection, or grouping of information that includes PHI and is maintained, collected, used, or disseminated by or for Company.

“**Secretary**” shall mean the Secretary of the Department of Health and Human Services.

“**Security Incident**” shall have the meaning set forth in 45 C.F.R. §164.304.

“**Treatment**”, “**Payment**” and “**Health Care Operations**” shall have the meaning given to those terms at 45 C.F.R. §164.501, as may be amended from time to time.

“**Unsecured PHI**” shall mean PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary.

2. OBLIGATIONS OF ASSOCIATE

A. Use and Disclosure of PHI

- (i) Except as otherwise limited in this Agreement, Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Company as specified in the Associate Agreements, provided that such use or disclosure would not violate the HIPAA Privacy & Security Rules if done by Company or the minimum necessary policies and procedures of Company. Company has the right to amend this Agreement at any time with respect to permitted uses and disclosures by Associate.
- (ii) To the extent Associate is to carry out one or more of Company’s obligations under Subpart E of 45 C.F.R. Part 164, Associate agrees to comply with the requirements of Subpart E that apply to the Company in the performance of such obligations.
- (iii) Associate may use or disclose PHI as required by law.
- (iv) Associate shall not use or disclose, and shall ensure that its directors, officers, employees, agents, and subcontractors do not use or disclose, PHI in any manner that would constitute a violation of the HIPAA Privacy Rule or the HITECH Act if done by Company, except that Associate may use and disclose PHI as permitted under the HIPAA Privacy Rule for the proper management and administration of Associate or to carry out the legal responsibilities of Associate, provided that disclosures are: (a) required by law or (b) Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it is disclosed to the person, and the person notifies Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (v) Except as otherwise limited in this Agreement, Associate may use or disclose PHI to provide Data Aggregation services relating to the health care operations of the Company if such services are required under the Associate Agreements.
- (vi) Associate shall neither use nor disclose PHI for the purpose of creating de-identified information that will be used for any purpose other than as directed by Company to carry out the obligations of Associate set forth in this Agreement or the applicable Associate Agreements, or as required by law.

B. Limited Data Set or Minimum Necessary Standard

In using, requesting and/or disclosing PHI, Associate shall comply with any and all applicable laws, including implementing guidance and regulations, in determining what constitutes “minimum necessary.” Associate shall limit the use, disclosure, or request of Individuals’ PHI, to the extent practicable, to the Limited Data Set (as defined in 45 C.F.R. §164.514(e)(2)) or, if needed by Associate, to the minimum necessary amount of Individuals’ PHI to accomplish the intended purpose of such use, disclosure, or request and to perform its obligations under this Agreement and/or the Associate Agreements. Associate shall determine what constitutes the minimum necessary to accomplish the intended purpose of such disclosure. Associate’s obligations under this provision shall be subject to modification to comply with guidance issued by the Secretary.

C. Receiving Remuneration in Exchange for PHI Prohibited

Associate shall not directly or indirectly receive remuneration in exchange for any PHI of an Individual. Associate shall not engage in marketing activities or the sale of PHI, as defined in the HIPAA Privacy Rule without prior written consent of Company and individual written authorization, as required by law.

D. Genetic Information

Associate shall not undertake any activity that may be considered underwriting based on genetic information, as defined by the Genetic Information Nondiscrimination Act and prohibited under the HIPAA Privacy & Security Rules.

E. Safeguards Against Misuse of Information

Associate shall comply with all applicable requirements of HIPAA and the HITECH Act relating to Business Associates and shall implement appropriate safeguards to prevent the use or disclosure of PHI in any manner other than pursuant to the terms and conditions of this Agreement. Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI that it creates, receives, maintains, or transmits on behalf of Company.

F. HIPAA Security Standards

Associate shall comply with the HIPAA Security Rule with respect to any Electronic PHI that Associate holds on behalf of Company.

- (i) Associate agrees to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to Electronic PHI to prevent use or disclosure of PHI other than as provided for by the Agreement.
- (ii) Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic PHI that it creates, receives, maintains, or transmits on behalf of Company, as required in the HIPAA Security Rule.

- (iii) Associate shall ensure that any agent, including a subcontractor, to whom it provides Electronic PHI agrees to implement reasonable and appropriate safeguards to protect such information.

G. Reporting of Violations and Security Incidents

- (i) Upon becoming aware of a use or disclosure of PHI in violation of this Agreement, including any Breach or suspected Breach of Unsecured PHI, Associate shall immediately report such use or disclosure to Company.
- (ii) Associate shall report to Company any Security Incident under the HIPAA Security Rule of which it becomes aware, including the identities of any individual whose Electronic PHI was breached. If the HIPAA Security Rule is amended to remove the requirement to report unsuccessful attempts of unauthorized access, the requirement to report such unsuccessful attempts shall no longer apply as of the effective date of that amendment.

H. Responsibilities in the Event of a Breach

- (i) In the event of a Breach or suspected Breach, including any actual, successful Security Incident of which it becomes aware which has compromised the protections set forth in the HIPAA, Associate shall forward to Company as soon as practicable, but in any event within 48 hours after such Breach or suspected Breach is discovered by Associate, a written notice including the identification of each individual whose Unsecured PHI has been, or is reasonably believed to have been, accessed, acquired, or disclosed during the Breach or suspected Breach. Such notification shall:
 - a. be made in writing to the Company with a copy to the Privacy Office.
 - b. include the names of the individuals whose information was breached, the circumstances surrounding the breach, the date of the breach and date of discovery, the information breached, any steps the individuals should take to protect themselves, the steps Associate (or its agent or subcontractor) is taking to investigate the breach, mitigate losses, and protect against future breaches, and a contact person for more information.
- (ii) For purposes of discovery and reporting of Breaches or suspected Breaches, Associate is not the agent of the Company (as "agent" is defined under common law).
- (iii) Associate shall cooperate with Company and shall provide such assistance as Company may reasonably request so that Company may comply with any obligations it may have to investigate, remediate, mitigate, report, and or otherwise notify third parties of such Breach. Associate shall be liable for all costs associated with the investigation, remediation, mitigation, and reporting of Breaches of Unsecured PHI caused by Associate, its officers, employees, agents, and/or subcontractors.
- (iv) If requested by Company, Associate shall notify, at its own cost, the individuals involved, or the media or the US Department of Health and Human Services, as applicable, in accordance with the HITECH Act, and regulations or guidance issued thereunder, including 45 C.F.R. Part 164, Subpart D, provided that Company shall approve the content of any notification in advance. If requested by Company, Associate shall reimburse Company for any costs associated with Company making such notification.

I. Agreements with Third Parties

In accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), Associate shall ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of Associate agree to the same restrictions, conditions, and requirements that apply to Associate with respect to such information pursuant to this Agreement, and as required by applicable law, with respect to such PHI. Associate warrants and represents that in the event of a disclosure of PHI to any third party, the information disclosed shall be no more than the minimum necessary for the intended purpose. Associate shall ensure that any agent or subcontractor of Associate to whom Associate provides PHI implements reasonable and appropriate safeguards to protect such information.

J. Access to PHI

In the event Associate maintains PHI in a Designated Record Set, Associate shall, within five business days of receipt of a request from Company, provide to Company PHI in Associate's possession that is required for Company to respond to an individual's request for access to PHI made pursuant to 45 C.F.R. §164.524 or other applicable law. Associate shall comply with, and shall assist Company in complying with, requirements for providing access to certain information in electronic format if Company or Associate uses or maintains an electronic health record with respect to an Individual's PHI, under 45 C.F.R. §164.524. In the event any individual requests access to PHI directly from Associate, whether or not Associate is in possession of PHI, Associate may not approve or deny access to the PHI requested. Rather, Associate shall, within two business days, forward such request to Company.

K. Availability of PHI for Amendment

In the event Associate maintains PHI in a Designated Record Set, Associate shall, within five business days of receipt of a request from Company, provide to Company PHI in Associate's possession that is required for Company to respond to an Individual's request to amend PHI made pursuant to 45 C.F.R. §164.526 or other applicable law. If the request is approved, Associate shall incorporate any such amendments to the PHI as required by 45 C.F.R. §164.526 or other applicable law. In the event that the request for the amendment of PHI is made directly to Associate, whether or not Associate is in possession of PHI, Associate may not approve or deny the requested amendment. Rather, Associate shall, within two business days forward such request to Company.

L. Accounting of Disclosures

Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Company to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528 or other applicable law. Associate shall comply with, and shall assist Company in complying with requirements for providing an accounting of certain PHI disclosures if Company or Associate uses or maintains an electronic health record with respect to PHI, under 45 C.F.R. §164.528. Associate shall, within 10 business days of receipt of a request from Company, provide to Company such information as is in Associate's possession and is required for Company to respond to a request for an accounting made in accordance with 45 C.F.R. §164.528 or other applicable law. In the event the request for an accounting is delivered directly to Associate, Associate shall, within two business days, forward such request to Company. It shall be Company's responsibility to prepare and deliver any such accounting requested.

M. Individuals' Right to Confidential Communications and to Request Restriction on Use and Disclosure of PHI

Associate shall comply, and shall assist Company in complying, with responding to Individuals' requests for confidential communications or to restrict the uses and disclosures of their PHI under 45 C.F.R. §164.522. This shall include complying with requests to restrict the disclosure of certain PHI with which Company is required to agree, in accordance with 45 C.F.R. §164.522.

N. Availability of Books and Records

Associate hereby agrees to make its applicable internal practices, books and records, including policies and procedures, available to the Secretary and Company for purposes of determining Company's and Associate's compliance with the HIPAA Privacy and Security Rules and HITECH. The practices, books and records subject to this Section are those practices, books and records that relate to the use and disclosure of PHI that is created by Associate on behalf of Company, received by Associate from Company, or received by Associate from a third party on behalf of Company.

O. Policies, Procedures and Training

Associate shall develop and implement privacy and security policies and procedures as necessary and appropriate to meet its obligations under this Agreement and applicable state and federal laws, including HIPAA. Associate shall train its employees and workforce members, and ensure that its agents or subcontractors train their employees and workforce members, on such policies and procedures.

P. Duty to Mitigate

Associate shall mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of PHI by Associate in violation of the requirements of this Agreement.

3. TERM AND TERMINATION

A. Term

The term of this Business Associate Agreement shall terminate when all of the PHI provided by Company to Associate, or created or received by Associate on behalf of Company, is destroyed or returned to Company, or, if Company determines that it is infeasible to return or destroy such PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

B. Termination for Cause

If Company determines that Associate has committed a material breach of this Agreement, or any applicable Associate Agreements pertaining to the use or disclosure of PHI, Company shall either:

- (i) Provide an opportunity for Associate to cure the breach or end the violation and terminate this Agreement and any applicable Associate Agreements if Associate does not cure the breach or end the violation within the time specified by Company; or
- (ii) Immediately terminate this Business Associate Agreement and any applicable Associate Agreements if Company determines cure is not possible.

Associate acknowledges and agrees that any breach of this Business Associate Agreement shall also constitute a breach of the applicable Associate Agreements.

C. Effect of Termination

- (i) Except as provided in the paragraph below, upon termination of this Business Associate Agreement for any reason, Associate shall return or destroy all PHI received from Company, or created or received by Associate on behalf of Company. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Associate. Associate shall retain no copies of the PHI.
- (ii) In the event that Associate determines that returning or destroying the PHI is infeasible, Associate shall provide to Company notification of the conditions that make return or destruction infeasible. Upon Company's determination that return or destruction of PHI is infeasible, Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Associate maintains such PHI.

4. MISCELLANEOUS

A. Gramm-Leach Bliley Act (GLBA)

To the extent that any information obtained by Associate is “nonpublic personal information” about “consumers” or “customers” as such terms are defined in GLBA and in regulations issued thereunder (collectively, “Consumer Data”), then in addition to the obligations of Associate under this Section 9, Associate agrees that it will not disclose or use such Consumer Data under this Agreement other than to carry out the purpose of this Agreement or in any manner prohibited by the GLBA or the regulations issued thereunder. Associate further covenants and agrees to maintain appropriate measures designed to meet the objectives of the applicable guidelines establishing information security standards as adopted by any federal regulatory agencies having jurisdiction over Associate’s affairs. These measures include appropriate disposal of Consumer Data, as required, and taking appropriate actions to address incidents of unauthorized access to sensitive Consumer Data, including notification to the other Party as soon as possible of any such incident. Without limiting the foregoing, each Party represents and warrants that its information security program is designed to: (i) ensure the security and confidentiality of Consumer Data; (ii) protect against any anticipated threats or hazards to the security or integrity of such data; and (iii) protect against unauthorized access to or use of such data that could result in substantial harm or inconvenience to any consumer.

B. Consumer Data

Company may, in its sole discretion and in furtherance of this Agreement, provide Associate with consumer data if the sharing of such data complies with all applicable laws, statutes, regulations, and rules (and reasonable interpretations thereof and guidance related thereto) (collectively, “Applicable Laws”), including, but not limited to GLBA, HIPAA and state law. Any such data that Company shares with Associate is exclusively owned by Company. Associate is expressly prohibited from selling or licensing the data or sharing such data with other third parties in any manner that violates Applicable laws.

C. Limitation of Liability

No exculpation or limitation on Associate’s liability set forth in any of the Associate Agreements shall apply to any liability of Associate as a result of Associate’s breach of this Agreement.

D. Indemnification

The parties agree to indemnify, defend, and hold harmless each other, their subsidiaries and affiliates, and their respective directors, officers, employees and agents, from and against any loss, claims, damages, judgments, attorneys’ fees, expenses, penalties, fines, and liabilities of any kind or nature for which either party may become liable resulting from any claim, legal action, or proceeding arising directly or indirectly out of either party’s violation of the terms of this Agreement.

In the event that the Associate uses or employs its own electronic contracting system, devices or procedures to enter into agent contracts electronically with subagents of the Associate, then the Associate shall indemnify and hold the Company harmless from and against all damages, costs, fines and/or penalties directly or indirectly arising from Associate’s failure to obtain a valid electronic signature, as determined by the federal Electronic Signatures in Global and National Commerce Act [“ESIGN” Act], from any subagent on an agent application.

In addition to any other rights available to Company under this Agreement and/or any Associate Agreements, Associate shall indemnify and hold Company harmless from and against all damages, costs, fines and penalties directly or indirectly arising from Associate’s breach of Applicable Laws, including GLBA, HIPAA and the HITECH Act, and/or related to any Breach directly or indirectly attributable to Associate including its employees, officers, directors, agents, and/or subcontractors.

E. Regulatory References

A reference in this Business Associate Agreement to a section in the HIP AA Privacy and Security Rules or the HITECH Act shall mean the section as in effect or as amended.

F. Amendment

The terms of this Business Associate Agreement shall be construed in light of any interpretation or guidance on HIP AA and/or the HITECH Act issued by the United States Department of Health & Human Services from time to time. If any relevant provision of the HIPAA Privacy and Security Rules or the HITECH Act is materially amended in a manner that changes the obligations of Business Associates or Covered Entities that are embodied in this Agreement, or in the event that applicable law, or an arbitration or judicial interpretation of same, or any regulatory or enforcement action should explicitly or otherwise require that this Agreement be changed, altered or modified, then Company shall notify Associate and provide such required amendment, and Company and Associate shall continue to perform their respective obligations under this Agreement as modified.

Section 10: Reinstated Policies and Converted Policies

No commissions shall be paid on lapsed policies. If a lapsed policy is reinstated by Associate or its Subagents, the commission to be paid to Associate and its Subagents shall be the same amount as for the renewal of such policy. If the reinstatement of a lapsed policy written by Associate is accomplished by a different representative of Company, Associate shall not be entitled to a commission on the reinstated policy. Reinstatement commissions are to be determined in accordance with the Commission Schedule in effect at the time of reinstatement. Commissions on rewriting, replacement, or conversion of one form of policy to another (or on surrendered policies) are not covered by this Agreement but may be determined by Company, in its sole discretion.

Section 11: Records and Reports

Associate shall render such reports and keep such records and business accounts as Company requests. For so long as Associate represents Company, Company will furnish Associate with a periodic statement of Associate's Account and will pay any amount due Associate hereunder. Upon receipt of such statement the Associate shall immediately examine it and if not satisfied as to its accuracy, Associate shall return such statement and the payment to Company with full particulars of any discrepancy therein within sixty (60) days of the date of the statement otherwise the statement shall be deemed accepted by Associate as true and correct. The Account on the books of Company shall be competent evidence of such Account for all purposes.

Section 12: Printed Material

Company may furnish Associate with supplies, applications, circulars and printed matter Company deems necessary for doing business under this Agreement. Associate agrees not to publish, distribute or use any circulars, advertising, sales material or other matter referring to Company or to Company's policies without first securing Company's written approval. All printed matter and supplies Company furnishes are property of Company and shall be promptly returned to Company upon request or when this Agreement terminates.

Section 13: Refunds and Rejections

Within the limitations of the law, Company reserves the right, at all times, to reject any application for insurance without specifying cause, and to cancel refuse to renew or modify any policy. Associate shall promptly refund all monies collected on any application by Associate or its Subagents, on which a policy is declined on any application by Associate or Subagents on which Company issued a policy not accepted by the applicant, and on any application by Associate or its Subagents for which the premium is refunded.

Section 14: Policy Replacement Prohibited

Associate and Subagents under its control shall not directly or indirectly engage in a pattern or practice of replacing, lapsing, canceling, or rewriting Company's policyholders. Without the agreement contained in this Section 14, Company would not enter into this Agreement and would not provide Associate with the printed materials identified in Section 12 of this Agreement and access to the electronic web-portal.

Furthermore, Associate shall not directly or indirectly attempt to or persuade an agent or producer of Company to terminate or reduce his or her relationship with Company.

Section 15: Trade Secret Information

Associate does hereby acknowledge, agree and accept that the Trade Secret Information of Company falls within that term as defined by pertinent state Trade Secrets Acts or by the Uniform Trade Secrets Act. Trade Secret Information as used in this Agreement includes, but is not limited to: agent customer or client lists, including names, addresses, telephone numbers, amounts and types of insurance; expiration and renewal dates of policy lists of business leads; claims histories; due dates of premium and amounts thereof; and statements of monthly accounts submitted to Associate and Subagents by Company. Specifically Trade Secret Information includes the materials identified in Section 12 of this Agreement and web-portal access. All Trade Secret Information furnished to Associate shall be and remain the property of Company. This specifically includes lists of customers and related information, which the Associate brought to Company. Company derives independent economic value from the Trade Secret Information and from its not being generally known to the public or to other persons who can obtain economic value from its disclosure. Associate will not during or after the term of the Agreement divulge, make known, or otherwise make use of any Trade Secret Information for any purpose except as authorized by Company, including but not limited to the solicitation of business from any person or entity. This Section 15 shall survive the termination of this Agreement for any reason. Failure to comply with the provisions of this Section will result in termination of this Agreement for cause and termination and forfeiture of any and all commissions or Vested Commissions (if any).

Section 16: Liability, Indebtedness and Indemnity

Associate shall be jointly and severally liable, with each Subagent, to Company for the payment of all (i) monies due from Associate or its Subagents, (ii) debit balances on the account of Associate or its Subagents, (iii) debit balances resulting from loans to Associate or its Subagents by Company and (iv) all obligations evidenced by the Note. Company's books shall be prima facie evidence of such debit balances or loans due.

Any indebtedness incurred by Associate or its Subagents to Company shall be payable immediately upon receipt of a written notice from Company. Company may, at any time in its sole discretion, offset against any remuneration due or to become due to Associate, any past, present or future debt or debts due from Associate or its Subagents to Company. Such indebtedness of Associate or its Subagents shall be secured by a first lien in favor of Company on any and all compensation due Associate and shall be binding upon Associate and its assigns and successors. Upon the termination of this Agreement, any and all money belonging to Company in the possession of Associate or its Subagents shall immediately become due and payable and shall be paid over to Company, but Company may, in its sole discretion and without waiving its rights, deduct such indebtedness from any payment provided herein until repaid.

Associate agrees to indemnify Company and its affiliates, shareholders, directors, officers and employees and to hold Company, its affiliates, shareholders, directors, officers and employees harmless from any and all expenses, liabilities, costs, cause or causes of action and damages, including attorney's fees and costs of litigation, resulting from or growing out of any breach of this Agreement, the Note, the Pledge Agreement or any related documents or any unauthorized, or allegedly fraudulent, negligent or wrongful act, omission, statement or representation by Associate, Associate's employees, independent contractors or Subagents. This Section 16 shall survive the termination of this Agreement for any reason.

Section 17: Errors and Omissions

Associate and its Subagents shall at all times carry an Errors and Omissions liability insurance policy of not less than \$100,000 per occurrence or such other amount as Company may require, naming Company as an additional insured, issued by an insurance company acceptable to Company.

Section 18: Survivability

Sections 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 28 of this Agreement shall survive its termination for any reason.

Section 19: Assignment

This Agreement is a continuing obligation and shall be binding upon Company and Associate, and their respective heirs, successors, transferees and assigns, and shall inure to the benefit of and be enforceable by Company and Associate and their respective heirs, successors, transferees and assigns. Associate may not, without the express prior written consent of Company, assign any of its rights or responsibilities hereunder. No assignment of commissions payable by Company to Associate other than as provided herein shall be valid unless authorized by Company in advance in writing, and Company shall at all times have a superior, continuing security interest in all commissions prior to the rights of any permitted assignee. Any assignment so authorized shall be subject to any and all indebtedness of Associate or its Subagents to Company then existing or thereafter accruing. Company may assign its rights hereunder to a third party, including but not limited to any lender, without notice to or consent of Associate.

Section 20: Mandatory Binding Arbitration

A. Mandatory Binding Arbitration- Except as otherwise provided in this Agreement, all claims, disputes, and controversies arising out of or in any manner relating to this Agreement, or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including but not limited to occurrence hereof (in each case, "Dispute"), shall be submitted to binding, non-appealable arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA) in force at the time the demand is filed, unless the parties mutually agree otherwise.

Either party may within one (1) year from the date of the alleged occurrence resulting in the Dispute make a demand for arbitration by filing a demand in writing with the other party and serving the same by depositing it in the U.S. Mail, certified mail, return receipt requested. Company and Associate shall each choose, within sixty (60) days after demand for arbitration is made its arbitrator and the two appointed arbitrators shall choose a third arbitrator that is a current or former insurance industry professional. If either party fails to appoint an arbitrator within sixty (60) days after the written demand for arbitration is made, the party who has appointed an arbitrator may petition the District Court of Travis County, Texas for an order compelling the non-complying party to appoint its arbitrator. All reasonable costs and fees incurred, as a result of obtaining the court order compelling appointment of an arbitrator shall be paid by the non-complying party. If the two arbitrators cannot agree on a third arbitrator within this timeframe, the third arbitrator shall be chosen by the AAA using its Commercial Rules then in effect. In such event the parties shall jointly pay the fees of the AAA.

All arbitration hearings conducted hereunder, and all judicial proceedings to enforce any of the provisions hereof, shall take place in Travis County, Texas. The hearing before the arbitrators of the matter to be arbitrated shall be at the time and place within said County as is selected by the arbitrators.

The decision of any two arbitrators with respect to a Dispute shall be binding and conclusive and non-appealable and shall be submitted to the court for confirmation with the same effect as a judgment.

Each of the parties hereby irrevocably waives punitive, exemplary, consequential and other non-compensatory damages in connection with any arbitration award with respect to any Dispute.

The costs and expenses of arbitration, including the fees of the arbitrators, shall be borne by the losing party or in such proportions as the arbitrators shall determine. The successful party shall recover as expenses all reasonable attorneys' fees incurred by said party in connection with the arbitration proceedings.

B. Exclusivity - Each party agrees that compliance with the requirements of this Section 20 is a condition to its right to assert any claims with respect to a Dispute in any other forum, except only as set forth in subparagraph D below.

C. Exceptions - Notwithstanding any other provision of this Agreement, Company may enforce Associate's compliance with any restrictive covenant, policy replacement prohibitions, confidentiality provision or trade secret provision contained in this Agreement to the fullest extent

permitted by law by seeking any remedy available at law or in equity, including but not limited to obtaining a temporary restraining order or injunction, without having to mediate and/or arbitrate, and without needing to post a bond to do so.

In addition, nothing contained in this Agreement shall in any manner limit Company's rights to recover through legal process all amounts due under Section 7 or any other agreement executed in connection with this Agreement.

Associate agrees that Associate is not excused from complying with any restrictive covenant, policy placement prohibition, confidentiality provision or trade secret provision because of any claim Associate may have against Company.

Section 21: Attorney's Fees

In any litigation between Associate and Company to this Agreement which concerns any matter governed by, arising from, or related to this agreement, no party will be entitled to recover the attorney's fees incurred in prosecuting or defending claims, regardless of whether such is allowed by statute, law, or otherwise, except as provided in Section 20 of this Agreement, and except in the event that a decider of fact determines, in their sole discretion, that a claimant brought forth a frivolous claim. In that event, a respondent to such a claim may recover his attorney's fees expended defending against the frivolous claim.

Section 22: Applicable Law

This Agreement shall be governed by the laws of the State of Texas. For any matter that is not subject to the Mandatory Binding Arbitration provision found in section 20, exclusive venue with respect to such matters hereunder shall be Travis County, Texas. COMPANY AND ASSOCIATE HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT, ANY NOTE OR ANY PLEDGE AGREEMENT.

Section 23: Partial Invalidity

If any provision of this Agreement is declared invalid for any reason, the invalidity of that provision shall not affect the validity of any other provision of this Agreement, and all other provisions shall remain in full force and effect. It is declared to be the intention of the parties that they would have executed all other provisions of this Agreement without including any such part or parts or portions that may, for any reason, be hereafter declared invalid.

Section 24: Entire Agreement

This Agreement, together with the other agreements incorporated herein by reference, constitutes the entire agreement between the parties and supersedes and replaces any and all prior agreements between Company and Associate. This Agreement may not be modified, altered or amended except by a writing signed by all parties to this Agreement. This Agreement shall be binding upon the successors and heirs of the parties hereto.

When not in conflict, the terms of this Associate Agreement apply to the Associate's Advance and Pledge Agreement and the Associate's Promissory Note.

Section 25: Company Approval & Effective Date

The Home Office of Company shall have sole authority with respect to any contract or agreement with any agent recruited by Associate or others in Associate's hierarchy. In addition, all licensing of any agents at any level shall be performed by the Licensing Department of Company, and all agents must conform to the market conduct standards of Company.

This Agreement shall become effective upon Associate becoming appointed with the Company in Associate's territory for the sale of insurance described herein, or the date of Company's execution of this Agreement at its offices in Texas, whichever shall occur last. For purposes of this provision, the sending of Company's "Welcome Letter" will constitute its execution of the Agreement.

Section 26: Notices

All notices, certificates, requests, demands and other communications provided for hereunder or under any Note or any Pledge Agreement shall be in writing and shall be (a) sent by first class United States mail, (b) sent by overnight courier of national reputation, or (c) sent via email, in each case addressed to the party whom notice is being given at its address, or sent to the email address on the agent's record, as set forth above or, as to each party, at such other addresses as may hereafter be designated by such Section. All such notices, requests, demands and other communications shall be deemed to have been given on (a) when deposited in the mail if delivered by mail, (b) the date sent if sent by overnight courier, (c) or date sent via email.

Section 27: Amendments

To the extent permitted by law, the terms of this agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto, and then such waiver, consent, modification or changes shall be effective only in the specific instance and for the specific purpose given.

Section 28: Agent Information

Associate represents and warrants to Company that it has fully and accurately completed the Prospective Associate's Application and Profile. Without limiting the foregoing, Associate represents and warrants to Company that (i) Associate's correct legal name is as set forth on the execution page hereof, and Associate covenants that it will not change its name without providing at least 30 days prior written notice to Company; (ii) if Associate is an entity (e.g., corporation or limited liability company), Associate's state of incorporation or organization is as set forth on the Prospective Associate's Application and Profile, (iii) if Associate is a partnership, Associate's place of business or, if Associate has more than one place of business, Associate's chief executive office, is as set forth on the Prospective Associate's Application and Profile, and (iv) if Associate is an individual, Associate's principal residency is as set forth on the Prospective Associate's Application and Profile. Associate covenants that it will not change such state of incorporation or organization, principal residency, principal place of business or chief executive office, as the case may be, without providing at least 30 days prior written notice to Company.

ASSOCIATE ADVANCE AND PLEDGE AGREEMENT

This **ASSOCIATE ADVANCE AND PLEDGE AGREEMENT** ("Agreement") is entered into by and between **American Retirement Life Insurance Company, Cigna National Health Insurance Company, Cigna Health & Life Insurance Company, Cigna Insurance Company, Loyal American Life Insurance Company®, Medco Containment Life Insurance Company, and/or Provident American Life & Health Insurance Company** (collectively, along with their successors and assigns, the "Company"), with administrative offices at 11501 Alterra Pkwy, Ste 500, Austin, Texas 78758, and the person or entity that executes this Agreement whose address is set forth in the Prospective Associate's Application and Profile prepared and submitted in connection herewith.

Scope of Agreement. On this date Associate and Company have entered into an Associate Agreement (including all addenda, modifications, extensions, renewals and substitutions thereof, the "Associate Agreement") governing their independent contractor relationship. Pursuant to this Agreement, Company may, in its sole discretion, make advances of money to Associate or its Subagents (as defined in the Associate Agreement) ("Advances"), which Advances will be reflected in Associate's account or accounts with Company as reflected on Company's books and records (whether one or more, "Associate's Account"). This Agreement constitutes a security agreement between Associate, as debtor, and Company, as secured party, and creates a security interest granted by Associate to Company in the commissions of Associate and other sums payable by Company to Associate, whether earned, unearned, vested or unvested, in order to secure repayment by Associate of the Advances and other amounts due from Associate or its Subagents to Company; further this Agreement documents the procedures to be followed with respect to Advances. The Associate Agreement is incorporated herein by reference, and its provisions, including but not limited to those pertaining to mediation and arbitration, shall be applicable to this Agreement.

Advances. Company may, in its sole discretion, make Advances to Associate or its Subagents in accordance with the terms of the Associate Agreement, and the attached Commission Schedules, and each Advance will be a loan of money by Company to Associate. Company will not be obligated to make such Advances and may unilaterally modify Associate's ability to receive Advances at any time without the consent of Associate or its Subagents although Company shall endeavor to notify Associate reasonably promptly of any change to Associate's ability to receive Advances. No Advances will be made other than in the sole discretion of Company and nothing herein shall be construed as a requirement upon Company to make or continue to make Advances. Company, in its sole discretion, may discontinue making Advances to Associate or its Subagents for any reason.

Advances shall also be subject to the following:

- a. **Associate's Account.** Each Advance or other amount provided to Associate or its Subagents by Company will be debited by Company to the Associate's Account, which is herein pledged by Associate to Company to secure repayment of the Advances.
- b. **Repayment.** All Advances will be deemed to be evidenced by that certain Promissory Note of even date herewith ("Note") executed by Associate payable to the order of Company, which is incorporated herein by reference.
- c. **Account Credits.** Commissions earned by Associate under the Associate Agreement will be credited to Associate's Account. No earned commissions on insurance policies for which commissions were originally advanced by Company to Associate will be paid to Associate unless all amounts owed to Company by Associate and its Subagents are fully repaid, including (without limitation) all Advances, all refunds and all other obligations of the Associate and its Subagents to Company.
- d. **Refunds.** Associate shall promptly refund to Company all Advances received by Associate or its Subagents from Company with respect to (i) submitted insurance applications for which policies are not issued for any reason, (ii) issued insurance policies which are not acceptable by the applicant therefore, (iii) insurance premiums which are refunded for any reason, and (iv) insurance policies which are rescinded for any reason, including without limitation, fraud or misrepresentation in connection with the insurance application. All such refunds, when received by Company, will be credited to Associate's Account.
- e. **Pledge and Collateral.** For value received, Associate hereby assigns and transfers to Company and grants Company a security interest in, and a lien on, any and all commissions and other amounts payable by Company or any affiliate of Company, to Associate at any time and from time to time as reflected in the Associate's Account and otherwise, whether earned, unearned, vested or unvested (the "Collateral"). The Collateral shall be held by Company. This Agreement is made to secure the repayment by Associate of any and all Advances and other obligations under the Note and any and all other obligations of Associate or its Subagents to Company or its assigns, including but not limited to those set forth in the Associate Agreement and this Agreement (collectively the "Obligations").

This Agreement will remain in effect until released by Company in writing. Company has no obligation to release this Agreement except upon payment in full of the Obligations. While this Agreement is in effect, neither Associate nor any other party except Company and its assigns and designees can withdraw all or any part of the Collateral. Associate agrees that no joint owner, beneficiary, surviving spouse or representative of Associate's estate shall have any rights in the Collateral in the event of Associate's death or incapacity unless and until the Obligations are paid in full, and then only to the extent the Collateral has vested in and is payable to Associate pursuant to the Associate Agreement. Associate hereby assigns and grants to Company the right to setoff and apply all or any part of the Collateral toward the repayment of the Obligations, whether or not Associate or any of its Subagents is in default of all or any part of the Obligations. Company may exercise such right of setoff without any notice to Associate or consent from Associate (unless such notice or consent is required by law and cannot be waived).

Warranties and Representation. Associate warrants and represents to Company that: (a) except for the security interest created by this Agreement, Associate has good and valid title to the Collateral free from any lien, security interest, encumbrance or claim, and Associate will, during the term of this Agreement, at Associate's cost, keep the Collateral free from other liens, security interests, encumbrances or claims, and defend any action which may affect the security interest created herein or Associate's title to the Collateral; (b) no financing statement covering the Collateral or any part or proceeds thereof is on file in any public office and, at Company's request, Associate will join in authenticating all financing statements and executing all other instruments deemed necessary by Company to perfect or continue the security interest created herein; (c) no part of the Collateral is exempt or protected by law from the effects of this Agreement; (d) Associate's correct legal name is as set forth on the execution page hereof, and Associate will not change its name without providing at least 30 days prior written notice to Company; (e) if Associate is an entity (e.g., corporation or limited liability company), Associate's state of incorporation or organization is as set forth on the execution page hereof, if Associate is a partnership, Associate's place of business or, if Associate has more than one place of business, Associate's chief executive officer, is as set forth on the execution page hereof, or if Associate is an individual, Associate's principal residency is as set forth on the execution page hereof; and (f) Associate will not change such state of incorporation or organization, principal residency, principal place of business or chief executive office, as the case may be, without providing at least 30 days prior written notice to Company.

Events of Default. The happening of any of the following events or conditions shall be a default hereunder: (a) a default in the timely payment or performance of the Obligations; (b) breach of any warranty or representation made by Associate herein or breach of any duty owed by Associate to Company; (c) default in Associate's obligations under the Associate Agreement or any other agreement between Associate and Company; (d) a default under the Note; (e) a termination of the Associate Agreement; (f) death of Associate (if an individual) or dissolution of Associate (if an entity such as a corporation, limited liability company, partnership, etc.); or (g) Associate becomes insolvent or bankrupt (whether voluntary or involuntary) or makes an assignment for the benefit of creditors or is in default of any obligation.

Remedies of Secured Party upon Default. When default or an event of default occurs, and at any time thereafter, Company may at its sole option by notice to Associate declare the entire unpaid principal amount of any or all of the Obligations then outstanding, all unpaid accrued interest thereon and all other amounts due and payable hereunder and under the Note and the Associate Agreement to be forthwith due and payable, whereupon such amounts shall become forthwith due and payable, without presentment, notice of dishonor, protest or further notice of any kind, all of which are hereby expressly waived by Associate. In addition, Company may proceed to enforce payment of the Obligations and may immediately offset any and all remaining Collateral against the Obligations and may exercise any other remedies available under the Uniform Commercial Code of the applicable state or other applicable law.

Waiver. No waiver by Company of any right hereunder or of any default by Associate shall be binding upon Company unless in writing executed by Company. Failure or delay by Company to exercise any right hereunder or waiver of any default of Associate shall not operate as a waiver of any other right, of further exercise of such right, or of any further default.

Applicable Law. This Agreement shall be governed by the laws of the State of Texas. Exclusive venue with respect to all matters hereunder shall be Travis County, Texas.

Credit report and Other Reports. Associate acknowledges and agrees that Company may at any time and from time to time, either directly or through a credit reporting agency, undertake verification or re-verification of any information contained in Associate's independent insurance Associate application to Company, and Associate authorizes Company to conduct an investigation concerning my qualifications for appointment including my character, general reputation, credit worthiness, and personal traits.

Partial Invalidity. If any provision of this Agreement is declared invalid for any reason, the invalidity of that provision shall not affect the validity of any other provision of this Agreement, and all other provisions shall remain in full force and effect. It is declared to be the intention of the parties that they would have executed all other provisions of this Agreement without including any such part or parts, or portions that may, for any reason, be hereafter declared invalid.

Agent Information. Associate represents and warrants to Company that it has fully and accurately completed the Prospective Associate's Application and Profile. Without limiting the foregoing, Associate represents and warrants to Company that (i) Associate's correct legal name is as set forth on the execution page hereof, and Associate covenants that it will not change its name without providing at least 30 days prior written notice to Company; (ii) if Associate is an entity (e.g., corporation or limited liability company), Associate's state of incorporation or organization is as set forth on the Prospective Associate's Application and Profile, (iii) if Associate is a partnership, Associate's place of business or, if Associate has more than one place of business, Associate's chief executive office, is as set forth on the Prospective Associate's Application and Profile, and (iv) if Associate is an individual, Associate's principal residency is as set forth on the Prospective Associate's Application and Profile. Associate covenants that it will not change such state of incorporation or organization, principal residency, principal place of business or chief executive office, as the case may be, without providing at least 30 days prior written notice to Company.

Assignment. Associate may not, without the express written consent of Company, assign any of its rights or responsibilities hereunder. Company may assign its rights hereunder to a third party, including but not limited to any lender, without notice to or consent of the Associate.

ENTIRE AGREEMENT. THIS AGREEMENT, TOGETHER WITH THE AGREEMENTS INCORPORATED HEREIN BY REFERENCE, REPRESENTS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES, AND ANY AMENDMENT OR MODIFICATION HEREOF SHALL BE IN WRITING AND SIGNED BY THE PARTY BOUND THEREBY. ANY PRIOR ORAL AGREEMENTS BETWEEN THE PARTIES ARE SUPERSEDED BY AND MERGED INTO THIS DOCUMENT, AND THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

JURY TRIAL WAIVER. COMPANY AND ASSOCIATE HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT.

ASSOCIATE PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned ("Maker") promises to pay to the order of **American Retirement Life Insurance Company, Cigna National Health Insurance Company, Cigna Health & Life Insurance Company, Cigna Insurance Company, Loyal American Life Insurance Company®, Medco Containment Life Insurance Company, and/or Provident American Life & Health Insurance Company** (collectively, along with their successors and assigns, the "Company") with joint offices at 11501 Alterra Pkwy, Ste 500, Austin, Texas 78758 (collectively, along with any successor holder hereof, the "Company"), the aggregate amount of all sums from time to time advanced by or on behalf of Company to Maker or for the benefit of Maker or to Maker's Subagents (as defined in the Associate Agreement (defined hereinafter)) or for the benefit of Maker's Subagents, all as reflected in all of Maker's accounts (collectively, "Account") on the books of Company, or otherwise owed by Maker or its Subagents to Company, with interest on the principal balance from time to time remaining unpaid until this Note shall have been paid in full at the rate hereinafter provided. Maker and Company have entered into an Associate Agreement of even date herewith (including any addenda, modifications, extensions, renewals and substitutions thereof, the "Associate Agreement"), and this Note is executed and delivered pursuant to the terms of the Associate Agreement. Maker agrees and acknowledges that all amounts advanced or deemed advanced to Maker or its Subagents by Company pursuant to the Associate Agreement or otherwise, whether for fees, charge-backs, dues, interest, commission advances or any other charges to the Account, shall be deemed to be advances of principal by Company to Maker payable pursuant to this Note.

Interest Rate. The unpaid principal balance from time to time outstanding hereunder shall bear interest, until the maturity of this Note (whether by demand, acceleration or otherwise), at a rate equal at all times to one percent (1%) per month. With respect to each Advance hereunder, interest shall accrue from the date of such Advance until the date that such Advance has been paid in full. Interest will be calculated and added to the Associate's indebtedness periodically based on the frequency of commission payments to the Associate, which typically is on a biweekly basis, but may vary.

Payment. The unpaid amounts of both principal and interest outstanding under this Note shall be due and payable on demand by Company, but if no demand has theretofore been made then demand shall be deemed to have been given by Company immediately upon any termination of the Associate Agreement. Without limiting the generality of the foregoing sentence, the outstanding principal and accrued interest hereunder shall be repaid from time to time with the commissions earned by Maker and received by Company pursuant to the terms of the Associate Agreement and the Pledge Agreement (as defined below). Any payment due under this Note shall be made to the order of Company and sent to the address of Company as first set forth above, or to such other entity or at such other place as Company may from time to time designate in writing to Maker.

Prepayment. The principal or interest of this Note may be prepaid from time to time, in whole or in part, without premium or penalty. All prepayments shall be applied first to accrued by unpaid interest and then to principal.

Default Interest. After the maturity hereof (whether by demand, acceleration or otherwise) or after a default hereunder, all principal, and if permitted by applicable law all past due interest, shall bear interest at the lesser of eighteen percent (18%) per annum or the highest rate permitted by applicable law.

Default. Without in any way limiting the demand provisions hereof, the occurrence of any of the following events shall be considered a default hereunder:

- a. the failure of Maker to make timely payment of any principal or interest due hereunder;
- b. a failure of Maker to perform any covenant or provision of the Associate Agreement or any other agreement between Maker and Company or any of its affiliates or breach of any duty owed by Maker to Company or any of its affiliates
- c. the bankruptcy or insolvency of, the assignment for the benefit of creditors by, or the appointment of a receiver for any of the property of, Maker;
- d. termination for any reason of the Associate Agreement; or
- e. the death of Maker (if an individual) or dissolution of Maker (if an entity such as corporation, limited liability company, partnership, etc.).

At the option of the holder of this Note, upon the occurrence of any default or at any time thereafter, the entire outstanding principal balance and all accrued unpaid interest and all other amounts due hereunder, and under the Pledge Agreement and the Associate Agreement shall at once become due and payable, without presentment, demand, protest, notice or grace, and the holder may, in addition to all its other rights and remedies, report Maker's name and account information to credit reporting agencies.

The failure to exercise the foregoing options upon the happening of one or more of the foregoing defaults shall not constitute a waiver of the right to exercise any of said options at any subsequent time in respect of the same default or any other default. The acceptance by the holder of this Note of any payment hereunder which is less than the payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of said options at the time or any subsequent time or nullify any prior exercise of any such option.

Attorney's Fees. If this Note is not paid at maturity (whether by demand, acceleration or otherwise), or if it is collected by or through an attorney or any bankruptcy, probate, or other court, whether before or after any such maturity, Maker shall pay all costs of collection incurred by the holder hereof, including but not limited to reasonable attorneys' fees.

Waiver of Notice and Consent. Maker waives presentment, notice of dishonor, notice of intention to accelerate the maturity hereof, diligence in collecting, grace, notice and protest, and Maker consents to all extensions which from time to time may be granted by the holder hereof and to all partial payments hereof, whether before or after maturity (whether by demand, acceleration or otherwise).

Legal Interest Limitations. All agreements between Maker and the holder hereof, whether now existing or hereafter arising and whether written or oral, are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of the maturity hereof, or otherwise, shall the amount paid, or agreed to be paid to the holder hereof for the use, forbearance, or detention of the money loaned by Company to Maker and evidence hereby or otherwise for the payment or performance of any covenant or obligation contained herein or in any other document evidencing, securing, or pertaining to the indebtedness evidence hereby, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever, fulfillment of any provision hereof or of such other documents, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law, then *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance the holder hereof shall ever receive as interest or otherwise an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal indebtedness of the undersigned to the holder hereof, and then only excess shall be refunded to Maker. All sums paid or agreed to be paid by Maker for the use, forbearance or detention of the indebtedness of Maker to the holder hereof, as evidence hereby or otherwise, shall to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such indebtedness until payment in full in such manner that there will be no violation of applicable laws pertaining to the maximum rate or amount of interest which may be contracted for, charged or received with respect to such indebtedness. The terms and provisions of this paragraph shall control and supersede every other provision of all agreements between the undersigned and the holder hereof.

Agent Information. Maker represents and warrants to Company that it has fully and accurately completed the Prospective Associate's Application and Profile. Without limiting the foregoing, Maker represents and warrants to Company that (i) Maker's correct legal name is as set forth on the execution page hereof, and Maker covenants that it will not change its name without providing at least 30 days proper written notice to Company; (ii) if Maker is an entity (e.g., corporation or limited liability company), Maker's state of incorporation or organization is as set forth on the Prospective Associate's Application and Profile, (iii) if Maker is a partnership, Maker's place of business or, if Maker has more than one place of business, Maker's chief executive office, is as set forth on the Prospective Associate's Application and Profile, and (iv) if Maker is an individual, Maker's principal residency is as set forth on the Prospective Associate's Application and Profile. Maker covenants that it will not change such state of incorporation or organization, principal residence, principal place of business or chief executive office, as the case may be, without providing at least 30 days prior written notice to Company.

Assignment. Company or any subsequent holder of this Note may assign its rights as holder without notice to Maker and without Maker's consent.

APPLICABLE LAW. THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. EXCLUSIVE VENUE WITH RESPECT TO ALL MATTERS HEREUNDER SHALL BE TRAVIS COUNTY, TEXAS.

Security. This Note is secured by, among other collateral, an Associate Advance and Pledge agreement (the "Pledge Agreement") herewith by and between Maker and Company. Any and all remedies of Company for collection of this Note hereunder or under the Pledge Agreement shall be cumulative, and the pursuit of one remedy shall not be deemed to exclude any other remedies available to Company.

JURY TRIAL WAIVER. COMPANY AND MAKER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS NOTE.

ENTIRE AGREEMENT. THIS PROMISSORY NOTE TOGETHER WITH THE ASSOCIATE AGREEMENT AND THE PLEDGE AGREEMENT, REPRESENTS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES, AND ANY AMENDMENT OR MODIFICATION HEREOF SHALL BE IN WRITING AND SIGNED BY THE PARTY BOUND THEREBY. ANY PRIOR ORAL AGREEMENTS BETWEEN THE PARTIES ARE SUPERSEDED BY AND MERGED INTO THIS DOCUMENT, AND THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

Producer's Guide ("Producer's Guide") to Anti-Money Laundering Program for Agents and Producers of the Life Insurance Companies comprising Cigna Supplemental Benefits (CSB)

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

To comply with the federal anti-money laundering regulations for insurance companies, CSB has adopted a detailed anti-money laundering program. You have an important role to play in that program. As a person who deals directly with customers, you will often be in a critical position to obtain information regarding the customer, the customer's source of funds for the products you sell, and the customer's reasons for purchasing an insurance product. You should expect to collect and retain information needed to assess the risk associated with a particular piece of business – in particular, to identify customers in high-risk businesses or high-risk geographic locations, or those using products or services that may be more susceptible to abuse in money laundering or other illegal activity.

I. Required Training

Federal regulations [31 CFR 103.137] require CSB insurance companies to provide their agents and producers with ongoing anti-money laundering training. Thus in order to avoid delays in new business processing CSB requires that you successfully complete anti-money laundering training provided by LIMRA on an annual basis.

If you are appointed with another insurance company(s) that also utilizes LIMRA for its AML training, you need only take the training once. LIMRA will automatically share the results with all other insurance companies you are appointed with that use LIMRA for its training.

A. To access LIMRA Anti-Money Laundering training:

1. Visit <https://aml.limra.com> and enter your username and password in lowercase in the spaces provided. Please note that the login function is case sensitive. Your username is the first four letters of your last name plus the last six digits of your social security number. Your password is your last name. For example, John Smith, whose social security number is 000-12-3456 would have the following username and password:
Example Username: smit123456
Example Password: smith
You will then be prompted to change your password.
2. Click on the *Login* button.
3. Complete one of the appropriate Anti-Money Laundering courses. CSB will automatically receive notification of your course completion.

B. If you have any AML training program questions, please contact CSB Agent Contracting at (877) 454-0923

II. Customer Information Gathering

In order to sell individual whole life insurance policies and other insurance products offered by a CSB insurance company that have a cash value or an investment feature, CSB's anti-money laundering program requires you to ensure that all information requested on the product application form and on any associated documents is accurate and complete. If a customer resists providing any requested information, appears to have provided false or misleading information, refuses to provide an acceptable form of identification or has otherwise provided information that cannot be verified, before contracting you should promptly contact the CSB Compliance Department at Csbbusinesscompliance@cigna.com, and follow any instructions you are given. Records of this information must be retained as long as the policy or contract remains in force and for five years thereafter.

CSB insurance companies have developed a Notice and Customer Information Form (AR-NCIF or LY-NCIF) to help ensure that all required customer information is obtained. At this time this form must be used in all individual whole life product sales and in connection with the sale of any other individual insurance product that has a cash value or investment feature. An exception may be available as determined by the CSB Compliance Department for a final expense product, but only if a personal history interview and prescription verification are utilized by the CSB insurance company during the underwriting process.

III. Suspicious Activity Reporting

You must immediately notify us if you detect any money laundering red flags, so that CSB can determine whether a suspicious activity report (SAR) must be filed with the U.S. Department of the Treasury. Typically a SAR must be filed within thirty (30) days of the initial detection of the suspicious activity. Insurance Industry red flags include but are not limited to:

- The purchase of a product that appears to be inconsistent with a customer's needs;
- The purchase or funding of a product that appears to exceed a customer's known income or liquid net worth;
- Any attempted unusual method of payment, particularly by currency or cash equivalents such as money orders, traveler's checks or cashier checks;
- Payment of a large amount broken into small amounts;

- Little or no concern expressed by a customer for the investment performance of an insurance product, but much concern expressed about the early termination features of the product;
- The reluctance of a customer to provide identifying information, or the provision of information that seems fictitious;
- A customer's inquiring about how to borrow the maximum amount available soon after purchasing the product;
- Listing a beneficiary or payee who is apparently an unrelated third party or who otherwise has no apparent relationship to the customer;
- A customer applies for a policy out of state when the same or similar product is available in his/her home state;
- The customer uses an out of state mailing address; and
- Any other activity that you think is suspicious.

If you identify any suspicious activity or money laundering red flags, you must promptly notify the CSB AML Compliance Contact at Csbbusinesscompliance@cigna.com. In that regard, you may be asked by the CSB AML Compliance Contact or by other CSB management personnel to investigate further or obtain additional information from the customer. If so requested you must expeditiously obtain any requested information so CSB can determine in a timely manner if a SAR needs to be filed.

The CSB AML Compliance Officer/Contact has the sole responsibility for determining whether to file a SAR and for responding to any regulatory agency's, customer's, employee's, agent's or producer's inquiry regarding suspicious activity or SAR. The fact that a suspicious activity is under investigation, or that a SAR has been filed or considered - including the contents of any SAR that has been filed - are strictly confidential. An agent or producer must not, under any circumstances, disclose that a suspicious activity is under investigation or that a SAR has been filed or is being considered - including the contents of a SAR - to the subject of a suspicious activity investigation or SAR, or to any third party. Violations of confidentiality related to suspicious activity investigations or reporting may result in substantial civil and/or criminal penalties.

IV. Methods of Payment

You should advise the customer that only the following types of payment may be used to purchase an insurance product from a CSB insurance company:

- Personal check made payable to the appropriate CSB insurance company;
- Properly completed payroll deduction authorization form;
- Properly completed pre-authorized checking account drafting form;
- Wire Transfers and other forms of electronic funds transfer; or
- Checks from another financial institution made payable to a CSB insurance company for the benefit of a new or existing customer.

If a customer gives you an unacceptable form of payment, you should explain what forms of payment are acceptable, return the unacceptable payment immediately and notify the CSB AML Compliance Contact of the red flag. You should also notify the CSB AML Compliance Contact if you encounter difficulty dealing with a customer regarding CSB's standards for acceptable and unacceptable forms of payment. The CSB Compliance Contact can be reached at: Csbbusinesscompliance@cignahealthcare.com.

Both CSB insurance companies and their producers share the responsibility of compliance with CSB's AML Program and all applicable anti-money laundering laws. A failure to do so will constitute grounds for discipline up to and including termination of your contract for cause. In addition, violation of anti-money laundering laws may expose those responsible to substantial civil and criminal penalties under federal law.

Cigna Supplemental Benefits family of companies include, American Retirement Life Insurance Company, Cigna Health and Life Insurance Company, Cigna Insurance Company, Cigna National Health Insurance Company, Loyal American Life Insurance Company, Medco Containment Life Insurance Company, Provident American Life & Health Insurance Company and United Benefit Life Insurance Company.

Administering Medicare Supplement and Supplemental Health business for:
Continental General Insurance Company, and MassMutual Ascend

APPOINTMENT FEE PAYMENT

State appointment fees are payable by the Associate to the Company at the time of initial appointment with the insurance company. Separate fees are required for each insurance company you will represent. The Company will collect the appointment fees from the Associate either by automatic debit from your commissions or bank account. Your state appointment fees will be automatically deducted from your commissions or checking or savings account when the appointment is processed. This eliminates the need for you to write a check for these fees and allows us to better service your account.

Refer to the State Appointment Fee Chart, found on Cigna For Brokers under Forms & Materials > Servicing Forms then select "Contracting" from the category drop down menu for current applicable fees in your state. You can also obtain this chart from the Agent Contracting Department, email them at CSBLicensing@Cignahealthcare.com.

By signing the filled-out form, you:

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

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(E))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Agent's Code of Ethical Conduct Cigna Supplemental Benefits

As an agent for the Cigna Supplemental Benefits family of companies, you represent our companies to the public, and you embody our professional reputation in your dealings with clients. Our Company supports the Principles of the Insurance Marketplace Standards Association. We ask that all our representatives review and understand the following statement as your commitment to the highest standards of doing business:

- I will treat my clients as I would want to be treated.
- I will study the terms and provisions of any Cigna Supplemental Benefits contract, which I will sell, so that I can relate it accurately to the potential buyer.
- I will ask questions to learn the client's situation, so I may assist the client in selecting a product that is appropriate to the client's needs, retirement plans, tolerance for risk, and financial situation.
- I will conduct all business with honesty, fairness and integrity.
- All advertising and sales materials I use and comments I make in the sales process will be based on principles of fair business dealing and good faith, and they will have a sound basis in fact.
- I will refrain from focusing sales on inappropriate, disparaging allegations about competitors and their products-comments on the competition will be based on factual knowledge and true comparisons of features and benefits.
- I will comply with all applicable insurance laws and regulations, and with all state and federal laws regarding fair competition.