

2014

**GRUPO LATINOAMERICANO
DE SEGUROS, LLC
REPRESENTATIVE
AGREEMENT**

REPRESENTATIVE AGREEMENT

This REPRESENTATIVE AGREEMENT (this "Agreement") is entered into this _____ day of _____, 20____ ("Effective Date") by and between Grupo Latinoamericano de Seguros, LLC ("Grupo"), a Delaware limited liability company, and

(Representative Name)

located at: _____
(Street Address, City, State & Zip)

("Representative"), and Solely for purposes of **Sections V(A) and (B), and IX**, hereof, MCS Advantage, Inc., a Puerto Rico corporation ("MCS").

RECITALS

WHEREAS, Grupo desires to market products of MCS, including but not necessarily limited to Medicare Advantage and Medicare Part D Prescription Drug Plans, Prescription Drug Plans and other health plans and products offered by MCS; and

WHEREAS, Grupo is seeking a network of independent representatives to provide beneficiary education, outreach and enrollment services to assist consumers and eligible Medicare beneficiaries applying for the MCS products.

NOW, THEREFORE, in consideration of the covenants, promises, representations and warranties set forth herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties), intending to be legally bound hereby, the parties agree as follows:

I. APPOINTMENT AND RELATIONSHIP

- A. Grupo hereby authorizes Representative to act on its behalf and represent Grupo only to the extent authorized herein.
- B. Representative is an independent contractor with respect to Grupo and MCS and nothing contained herein shall create or be construed to create the relationship of employer/employee between Grupo or MCS and Representative or between Grupo or MCS and any employee of Representative, including without limitation any obligation by MCS to pay any commission or any form of compensation to any employee of Representative.
- C. Nothing herein contained shall be deemed to create an agency, joint venture, partnership or franchise relationship between Representative and Grupo. Representative acknowledges that Representative is NOT an employee of Grupo or MCS and is NOT entitled to Grupo's or MCS's employee rights and benefits. Representative further agrees to waive any and all rights and entitlements under the EEOC and ADA, to the extent they exist. Representative shall be free

to exercise independent judgment as to the time and manner in which Representative performs the services authorized by this Agreement.

II. SCOPE OF SERVICES, AUTHORITY AND RESPONSIBILITY OF PRODUCER

- A. Representative is hereby authorized, on behalf of Grupo and only in those states and counties where the parties are authorized to do business and where Representative is in compliance with all applicable regulatory requirements at the time of solicitation, including insurance license requirements, to solicit applications for approved MCS products authorized to be marketed by the parties. A list of approved MCS products authorized to be marketed by Representative will be provided to Representative by Grupo together with the terms, conditions, production requirements, commissions and related information and such will be considered fully incorporated herein by reference. Representative shall have no protected territories or regions.
- B. Representative and agents in Representative's hierarchy ("Sub-Agents") shall be responsible for payment of all expenses associated with their respective marketing of MCS products, including but not limited to state insurance appointment costs, when applicable, and any other services performed by them in the performance of this Agreement.
- C. During the term of this Agreement, Representative shall attend and participate in all required training, monitoring and supervision activities and or seminars as required and or requested by MCS or Grupo. Representative agrees to cooperate fully and promptly with any compliance-related inquiry arising out of Representative's activities under this Agreement.
- D. Representative may not use MCS's or Grupo's name or logos; any MCS product or plan's name or logo; or any proprietary information on any printed materials, or electronic advertising, or internet site without prior written approval of Grupo and/or MCS. Representative may not reproduce any of Grupo and/or MCS' Internet content or programs on Representative's Internet site. Representative may not re-create or alter any material considered proprietary by Grupo and/or MCS in electronic, printed, or any other form.
- E. Representative is required to protect the privacy and confidentiality of personal and financial information regarding MCS, Grupo, applicants, clients and Medicare beneficiaries, current and former plan members, employer groups, and providers. Representative will not disclose personal or financial information to anyone other than the parties as may be required in the performance of Representative's obligations hereunder. Representative agrees to comply with all federal, state, and local laws, including the Health Insurance Portability

PRODUCER AGREEMENT

and Accountability Act (HIPAA), the Gramm-Leach-Bliley Act and their amendments, and the provisions of the Puerto Rico Insurance Code, regarding the privacy and confidentiality of consumer health and financial information, including information pertaining to Medicare beneficiaries, current and former plan members, employer groups and providers. Representative further agrees to comply with MCS's and Grupo's privacy and confidentiality requirements. The parties each agree they will not disclose or use the non-public personal information provided to them under this Agreement to any person or entity except as necessary to carry out the marketing of any of the MCS products under this Agreement, or under an expressly recognized exception to the Gramm-Leach-Bliley Act's opt-out requirement, in the ordinary course of business to carry out such marketing, unless and until the individual about whom the non-public personal information is shared becomes a customer of Grupo and Representative.

- F. The Violent Crime Control and Law Enforcement Act (18 U.S.C. 1033 et. seq.) makes it a crime for individuals convicted of certain felonies to willfully engage in the business of insurance. By entering into this Agreement, Representative represents that Representative is not prevented from engaging in the business of insurance under that Act or any other applicable law. Representative agrees to accurately and fully complete the background information paperwork provided and required by Grupo as applicable, and to advise Grupo in writing within thirty (30) days of the event if Representative is convicted of a felony during the term of this Agreement. Grupo recommends that any Representative having questions or concerns as to the applicability of and individual compliance with the aforementioned consult the appropriate regulatory entity.
- G. Representative understands and agrees that Grupo may choose to communicate with Representative through the use of telephone, mail, email or facsimile to the mailing address(es), telephone numbers, or email address(es) provided by Representative on Representative's Professional Profile attached hereto. Representative further understands that it is Representative's responsibility to notify Grupo of any changes in Representative's contact information, and agrees to notify Grupo immediately of any change in contact information, including changes to Representative's email address(es) and telephone number(s).
- H. Representative agrees that, except as expressly authorized in exceptional circumstances by Grupo while this Agreement is in force and following its termination for any reason, Representative shall not directly or indirectly contact, solicit, communicate or meet with any of Grupo's clients, plan members or beneficiaries for the purpose of modifying, rewriting, canceling, lapsing or replacing MCS products written during the term of this Agreement. Representative's 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).

- I. Representative agrees that Representative will not market, solicit, or contact any insurance provider introduced to Representative, directly or indirectly, through Representative's relationship with Grupo or offer or provide any products or services except authorized products or services on behalf of Grupo in accordance with this Agreement.

III. REPRESENTATIONS AND WARRANTIES

The Representative represents and warrants that Representative:

- A. Does not possess a license in more than one of the following categories: producer, general agent, solicitor, adjuster or consultant; except that a person with a license as a producer may obtain a license as a general agent.
- B. Has a valid health services license at the time Representative subscribes this Agreement.
- C. Understands that Representative is responsible for the timely payment of Representative's required quotas to the Office of the Insurance Commissioner of Puerto Rico (OIC).
- D. Will return to MCS any commissions paid in excess of the limits allowed by CMS.
- E. Will renew the required license on a timely manner and must immediately notify Grupo of its renewal. Non-compliance of this duty may result in immediate termination of this Agreement.
- F. Is not an official, officer or employee of the Government of the United States or of the Commonwealth of Puerto Rico or of any of its dependencies, or of a municipality, or is a member of the United States Armed Forces Reserves or of the National Guard of the Commonwealth of Puerto Rico in full-time active military service.
- G. Is not an employee, director, official, officer, or stockholder of a financial holding company, depository bank or institution, trust company, finance company, savings and loan association or any other institution directly or indirectly engaged in the business of lending money.
- H. Has read and understood the implications of Puerto Rico Law No. 10 and the CMS Marketing Regulations and will abide by them.
- I. Will comply with the requirements set forth by the OIC with respect to the display of the license issued by the OIC and shall be responsible to display the same as evidence of Representative's authority to engage in the insurance business in Puerto Rico. Likewise, should the OIC issue an identification card as evidence of the

PRODUCER AGREEMENT

license granted, the Authorized Representative shall carry the same while conducting insurance business and show the same every time is asked to do so, and to protect and use the same exclusively for the purposes related to the business. Should said license be lost, replacing the same shall entail the payment of the fees established by the OIC.

- J. Shall not divide Representative's commission or compensation with others, or share in any commission or compensation payable to others on account of insurance subject to the Puerto Rico Insurance Code, except as provided by the Puerto Rico Insurance Code.
- K. Will abide by all applicable laws, regulations, instructions, confidentiality requirements and any other local or federal legislation, including the requirements and policies and procedures established by MCS, the Medicare Advantage Program and with all the Exhibits made part of this Agreement.
- L. Will safeguard the privacy and confidentiality of the beneficiaries' information.
- M. Will be responsible before MCS and CMS for all the functions and responsibilities described in the Medicare Advantage regulations.
- N. Will implement and abide by any corrective action plans implemented by CMS, Grupo or MCS.
- O. Will attend to all meetings, orientations and trainings provided by Grupo and/or MCS regarding MCS' Medicare Advantage products, selling techniques, market analysis and CMS regulations. And further agree that attendance to these meetings and trainings is compulsory and required for Representative's professional growth in accordance with applicable laws and regulations.
- P. Commits to submitting to MCS complete applications with all the required documentation as established by MCS and CMS.

IV. LIMITATIONS OF AUTHORITY

- A. Representative shall have no authority to make, alter, modify or discharge any evidence of coverage, policy, rider, or contract; extend any provision thereof; waive any forfeiture; incur any debts or expenses for which the parties may be liable; receive any funds on behalf of MCS or Grupo except as may herein or elsewhere specifically authorized in writing by Grupo; withhold or convert to Representative's own use or for the unauthorized benefit of others any monies, securities, policies or receipts belonging to MCS or Grupo or accept payments of any kind for Medicare Advantage plans. Representative shall have no authority to withhold or fail to submit promptly to Grupo any application for coverage written under the terms of this Agreement.
- B. Representative shall have no authority to endorse or present for collection any check, draft or other instrument

made payable to MCS or Grupo whose products are sold pursuant to this Agreement.

- C. Representative agrees to be bound by all state and federal regulations governing the marketing and sale of MCS products, including, where applicable, regulations promulgated by the Centers for Medicare & Medicaid Services (CMS), and Representative shall have no authority on behalf of MCS or Grupo to conduct unauthorized telemarketing, "cold calling", door-to-door solicitation or any other form of "direct" solicitation prohibited by CMS guidelines or otherwise in violation of state or federal rules and regulations in connection with Representative's activities hereunder.
- D. Representative will, at all times during the term of this Agreement and for ten (10) years after the termination of this Agreement, maintain Errors and Omissions Insurance in amounts consistent with industry standards, but at no time less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) aggregate limits. Representative will name Grupo as an additional insured on such policy and request notice to Grupo by the insurer of any reduction, modification, cancellation or termination thereof. Representative shall provide evidence to Grupo that such coverage is in force prior to the execution of this Agreement and from time to time thereafter upon Grupo's request. Representative shall notify Grupo within twenty-four (24) hours if such insurance is or will be reduced, modified, canceled or terminated. Insurance policies required by this Section shall: (i) be issued by an A.M. Best A- or better rated insurance company that has the authority to issue professional liability insurance policies and (ii) provide coverage in the applicable states of the service areas pertaining to this agreement. Representative shall provide not less than thirty (30) days prior written notice to Grupo of any termination, expiration, non-renewal, cancellation, reduction, or other change in the amount or scope of any coverage(s) required under this Section. If Representative fails to procure, maintain or pay for the insurance required under this Section, Grupo shall have the right to immediately terminate this Agreement.

V. PAYMENT

- A. In consideration for Representative's services as described herein, Representative shall be compensated by commission, as follows: MCS shall be solely liable to pay a commission on approved and accepted new enrollments, based upon the current commissions and fees then in effect for each MCS product as set forth on the schedules provided to Grupo and Representative. No additional compensation, bonuses, remuneration or reimbursement will be due and payable to Representative for new enrollments. Such commissions payment shall be subject to the Representative having an active license issued by the OIC and the commissions are due.

PRODUCER AGREEMENT

- B. MCS will periodically provide to the Representative a Report with the status of Representative's commissions corresponding to the payments issued. The Representative will have thirty (30) days after receiving the report to contest in writing any discrepancy or errors on the reports. Should the Representative fail to notify any discrepancy or errors within such thirty (30) days period, MCS shall presume the accuracy of the reports.
- C. All expenses incurred by Representative in the marketing or enrollment of MCS products are the sole responsibility of Representative. No commissions shall be payable on any application not accepted by MCS, Grupo or otherwise not accepted or approved by CMS.
- D. Representative acknowledges and agrees that all payments to Representative and agents in Representative's hierarchy for the sale of MCS products shall be deemed an advance of compensation to Representative. Unless otherwise specifically provided, all debts due Grupo, including advances to Representative or Representative's Sub-Agents against commissions or other compensation, are payable upon demand and are not recoverable solely from commissions or other compensation. Should MCS for any reason disenroll any member from any policy effectuated hereunder, and should such disenrollment result in a chargeback, then Representative shall repay to MCS, on demand, any chargebacks not repaid to MCS by Representative or Representative's Sub-Agents on that business. Representative's failure to repay these chargebacks is agreed to constitute authorization for Grupo exercise its rights under this Agreement to recover such amounts against any commissions or service fees due Representative on any policy secured hereunder. Grupo or its affiliates or assignees may at any time offset any debt or debts due from Representative to Grupo, or due from Representative to Grupo for which Grupo is held liable, arising from Representative's transactions under this or any previous or subsequent contract between Representative and Grupo or its predecessors, successors, affiliates or assigns against any commissions, service fees, or other compensation due or to become due to Representative from Grupo and any and all affiliates of Grupo.
- E. Representative shall be jointly and severally liable, with each Sub-Agent in Representative's hierarchy, to Grupo for the payment of all monies due from Representative or Representative's Sub-Agents, or debit balances on the account of Representative or Representative's Sub-Agents, or debit balances resulting from loans to Representative or Sub-Agents from Grupo or MCS. Grupo and MCS's books and records shall be prima facie evidence of such debit balances or loans due.
- F. Representative hereby assigns to MCS, with recourse, as collateral for all such monies due, debit balance or loans, all amounts due and to become due to

Representative from each Sub-Agent or from Grupo, and all notes of Sub-Agents in favor of Representative. Representative agrees to execute all other documents required of Representative by Grupo in order to properly evidence and effectuate such assignments, and to guarantee the legal enforceability thereof.

VI. TERM

This Agreement shall commence on the date hereof and continue in effect and be ongoing, unless terminated in accordance with Section VIII hereof.

VII. RETURN OF PROPERTY

Upon the termination of this Agreement for any reason whatsoever, Representative agrees to end all further use and utilization of, and to immediately return to Grupo, in good condition, all property of Grupo, including, without limitation, any property or equipment furnished by Grupo or created or prepared by Representative, either alone or jointly with others, pursuant to the provisions or requirements of this Agreement. Without limiting the generality of the foregoing, all correspondence, reports, records, charts, advertising materials and other similar data pertaining to the business, activities, research and development, Intellectual Property or future plans of Grupo and/or that are collected by Representative, including any and all copies or reproductions thereof, as well as any computer equipment, passwords and access cards provided to Representative by Grupo, shall be delivered promptly to Grupo without request by it upon termination of this Agreement.

VIII. TERMINATION

Regardless of anything to the contrary contained in this Agreement:

- A. Grupo may terminate this Agreement immediately with or without cause, and in such event, Representative shall immediately stop performing all services (unless otherwise directed by Grupo in writing).
- B. Grupo may terminate this Agreement immediately for cause for any of the following:
 - i. Fraud or embezzlement;
 - ii. Comingling of personal funds with premium payments, or retention of funds or affiliation applications for more than twenty-four (24) hours with the exception of Saturdays, Sundays and MCS holidays in which case the Representative has until the next following business day to hand in the funds and applications.
 - iii. If the Representative induces another Representative or a MCS sales representative to terminate its relationship with MCS or Grupo; or if the Representative induces or counsels a

PRODUCER AGREEMENT

MCS beneficiary into cancelling its MCS policy or encourages the beneficiary to switch insurance policies with another insurer. A sworn statement by the affected beneficiary or a statement by a witness that was present when the counseling or inducing was conducted is enough proof to cancel this Agreement.

- iv. Violations of the Puerto Rico Insurance Code or its regulations, illegal or improper conduct by the Representative or if Representative's conduct is against MCS' or Grupo's best interests.
 - v. Violation of the Medicare Marketing Guidelines or any other applicable law or regulation.
 - vi. If the Representative is incapacitated.
 - vii. If the Representative does not have an active license issued by the OIC.
 - viii. If the Representative dies.
 - ix. If MCS' contract with CMS ends or is cancelled.
 - x. If Grupo's contract with MCS ends or is cancelled.
 - xi. If the Representative has not been certified during the annual training offered by MCS nor passed the examination with a minimum of 85%.
- C. These dispositions should not be interpreted as an expectancy or creation of a regular job; the Parties have agreed that this Agreement and relationship is one of professional services/independent contractor through which Representative will offer Representative's services at Representative's own cost.
- D. Representative may terminate this Agreement at any time upon not less than ninety (90) business days' prior written notice to Grupo.
- E. Upon termination of this Agreement for any reason whatsoever, Representative must notify Grupo, in writing and within sixty (60) days after termination of this Agreement, of any claims or complaints Representative may have against Grupo. Representative's failure to duly notify Grupo shall constitute Representative's waiver of all rights Representative may have to any claims against Grupo. Such notification must be sent via certified mail to Grupo at the address set forth in **Section XIII.A.** below.
- F. If Representative fails to repay, for any reason whatsoever, any indebtedness to Grupo or MCS after termination of this Agreement, Representative agrees to the entry of a judgment against Representative equal to the amount of the indebtedness.

IX. COMMISSIONS AFTER TERMINATION OF THE AGREEMENT

After the termination of this Agreement, other than for cause as set forth in Section VIII. above, MCS will continue

making payments to the Representative under the following parameters as long as the Representative has an active license issued by the OIC and the commissions are due, **provided** that for Representative have a right to the payment of commissions for the renewal of payments, the policy must comply with the requirements established on Exhibit I.

X. COMPLIANCE WITH APPLICABLE LAWS

- A. Representative warrants that Representative's conduct in the performance of the services pursuant to this Agreement shall comply with all applicable federal, Commonwealth of Puerto Rico and local laws and regulations, including but not limited to applicable licensure requirements, the Puerto Rico Insurance Code, CMS Medicare Marketing Guidelines and certification requirements, as well as MCS and Grupo sales policies.
- B. Representative warrants that Representative's performance under this Agreement shall be conducted with due diligence and in accordance with the highest professional standards in the industry. Representative shall comply with all applicable policies and procedures of MCS and Grupo, including those relating to privacy and security, in the course of performing services under this Agreement.

XI. PRODUCER REPRESENTATION

Representative is authorized by this Agreement to act on behalf of the parties solely to conduct approved and compliant marketing and sales activities relative to the MCS products. Representative hereby assigns Representative's hierarchy to Grupo for the purpose of administration of the terms of this Agreement, and Representative and Grupo understand and agree that this Agreement shall serve as sufficient evidence of Representative's consent and assignment to the hierarchy of Grupo.

XII. REMEDIES IN THE EVENT OF BREACH

In the event of a breach by Representative of any of the covenants of this Agreement, Grupo shall be entitled to:

- (1) Obtain an injunction enjoining any violation or threatened violation of the covenants herein for the benefit and protection of Grupo;
- (2) Obtain an injunction compelling the performance by Representative of all obligations and covenants owed to Grupo under this Agreement;
- (3) Withhold from Representative and not pay to Representative any sum otherwise payable by Grupo or its assignees to Representative, including without limitation, any such sum attributable to commissions or renewals.
- (4) Seek damages in a court of competent jurisdiction.

PRODUCER AGREEMENT

XIII. GENERAL

- A. **Notices.** All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt, or mailed by internationally recognized overnight courier prepaid, to the parties at the addresses.

If to Grupo, to the following address:

Grupo Latinoamericano de Seguros, LLC
2650 McCormick Drive, Suite 300L
Clearwater, FL 33759
Attn: General Counsel

If to Representative:

As indicated on Representative Professional Profile form, attached.

If to MCS:

MCS Advantage, Inc.
P.O. Box 9023547
San Juan, PR 00902-3547

Physical Address:

255 Ponce de Leon Avenue
Hato Rey, PR 00918
Attention: General Counsel

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this **Section XIII.A**, be deemed given upon delivery, (ii) if delivered by overnight courier to the address as provided in this **Section XIII.A**, be deemed given on the earlier of the first business day following the date sent by such overnight courier or upon receipt. Any party may, from time to time, change its address or other information for the purpose of notices to that party by giving written notice specifying such change to the other parties.

- B. **Entire Agreement; Modification.** This Agreement and attached exhibits constitutes the entire Agreement among the parties with respect to the services contemplated herein. This Agreement supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. Whenever possible, Grupo will provide written notification of amendments or modifications ten (10) days prior to effective date of amendment or modification, however, Grupo reserves the right to amend or modify immediately and without notice as may be required or directed to maintain regulatory compliance. This Agreement cannot be changed by any oral promise or statement, and no written modification or change will bind the parties unless agreed to and executed in writing, by an authorized signatory of Grupo, in the form of an amendment to this Agreement.
- C. **Waiver.** Any term or condition of this Agreement may be waived at any time by the party entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf

of the party waiving such term or condition. No waiver by any party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

- D. **No Assignment; Binding Effect.** Neither this Agreement nor any right, interest or obligation hereunder may be assigned (by operation of law or otherwise) by Representative without the prior written consent of Grupo and any attempt to do so will be void. Subject to the preceding sentence, this Agreement is binding upon, inures to the benefit of and is enforceable by the parties hereto and their respective successors and assigns.
- E. **Survival.** Notwithstanding anything to the contrary contained in this Agreement, the provisions of **Section II.E, Section II.H, Section II.I, Section V, Section IX, Section XII**, and this **Section XIII** shall survive the expiration or termination, for any reason, of this Agreement.
- F. **Headings.** The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.
- G. **Severability.** Any term or provision of this Agreement that is invalid, illegal or unenforceable in any situation in any jurisdiction shall not affect the validity, legality or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If such invalidity, illegality or unenforceability is caused by length of time or size of area, or both, the otherwise invalid provision shall be, without further action by the parties, automatically amended to such reduced period or area as would cure such invalidity, illegality or unenforceability; provided, however, that such amendment shall apply only with respect to the operation of such provision in the particular jurisdiction in which such determinations are made.
- H. **Governing Law; Jurisdiction; Venue; Waiver of Jury Trial.** This Agreement shall be governed by Federal law and the laws of the Commonwealth of Puerto Rico. Any action arising out of or relating to this Agreement shall be exclusively brought in (i) US District Court for the District of Puerto Rico located in San Juan, Puerto Rico, or (ii) if such US District Court does not have and cannot obtain jurisdiction, then in the Court of First Instance of the Commonwealth of Puerto Rico located in San Juan, Puerto Rico. Both Parties hereby irrevocably submit to the exclusive jurisdiction of the applicable court set forth above and waive any objection based on FORUM NON CONVENIENS or any objection to venue therein for all such actions. **EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, IRREVOCABLY, AND INTENTIONALLY WAIVE, TO THE MAXIMUM EXTENT**

PERMITTED BY LAW, ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR CLAIM ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO THE PARTIES ENTERING INTO THIS AGREEMENT.

- J. **Counterparts; Facsimile Execution.** This Agreement may be executed and delivered (i) in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument, and/or (ii) by facsimile, in which case the instruments so executed and delivered shall be binding and effective for all purposes.
- L. **Indemnification.** Representative agrees to indemnify, defend, and hold MCS and Grupo harmless from and against any and all claims, damages, costs, losses, and expenses, including, without limitation, reasonable attorney's fees and costs of settlement or defenses, for all acts or for those arising out of or relating to (a) any breach or nonperformance of Representative's representations, warranties, covenants or undertakings under this Agreement, (b) any breach or nonperformance of Representative's representations, warranties, covenants or undertakings under this Agreement or between any agreement between Representative and MCS, or (c) the actual or alleged negligent or actual or alleged act, error or omission of Representative and employees, agents or Sub-Agents of Representative with respect to their obligations under this Agreement
- or any agreement between Representative and MCS. Representative expressly acknowledges and agrees that MCS is a third-party beneficiary of this **Section XIII.L.** and may bring action directly against Representative for indemnification hereunder.
- M. **Accounting.** Grupo shall have the right to inspect and copy (at its own expense), and Representative shall make available at its primary offices for such purposes, all records reflecting business placed with MCS and or Grupo of Representative, or its Sub-Agents, including the hierarchy of agents and the policies written by such hierarchy, which arose, directly or indirectly, from the efforts of Representative. Such inspection shall be granted within thirty (30) days of written request by Grupo for same and shall be conducted during normal business hours. The above shall not be requested by Grupo more frequently than once per year.
- N. **Attorney's Fees.** In the event Grupo is required to seek legal action to enforce or defend its rights pursuant to this Agreement, Grupo shall be entitled to recover from the Representative its attorney's fees and costs incurred, including those incurred on appeal.
- O. **Agent of Record.** In the event Representative is no longer the Agent of Record ("AOR") for an insured party, Grupo shall have the right to assign a new AOR to replace Representative.

Representative hereby acknowledges that Representative has been provided the opportunity to read and review this Agreement in its entirety and consult with independent counsel. Representative also acknowledges and understands that Grupo may add to, remove from or amend any section of this Agreement or attachments. Representative will be held accountable for all new information, rules or regulations.

By Representative's signature below, Representative acknowledges that Representative has read this Agreement in its entirety, and that Representative fully understands all terms, conditions and responsibilities described herein, and agrees to the same without reservation.

X _____ X _____
Representative's Printed Name Representative's Signature Date

IN WITNESS WHEREOF, Grupo and, Representative, and (solely with respect to Sections V. (A) and (B). and IX) MCS, have executed this Agreement as of the date first written above.

Grupo Latinoamericano de Seguros LLC

MCS Advantage, Inc.

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

GUARANTEE BY OFFICERS OR PARTNERS

NOTE: COMPLETE THIS SECTION IN ADDITION TO THE SIGNATURE LINE ABOVE IF YOU ARE APPLYING AS AN ENTITY

If Representative is a corporation or partnership, each of the undersigned, in consideration of the entity executing this Agreement, represents that the officers, directors, principal stockholders or partners of the entity, with the percentages of interest in the total ownership of the entity as set forth below, are true and correct representations, and does hereby personally and severally guarantee the performance of all terms, as well as the liability and responsibility for any default in such terms, conditions, covenants, and/or amendments.

X _____
Signature Print Name Title % Interest

X _____
Signature Print Name Title % Interest

X _____
Signature Print Name Title % Interest

Grupo Latinoamericano de Seguros, LLC Internal Use Only

X _____ X _____
Printed Name Signature Title

REPRESENTATIVE AGREEMENT - PROFESSIONAL PROFILE

Your Personal Information:

FIRST NAME MI LAST

☐ MALE ☐ FEMALE D.O.B. (mm/dd/yyyy) SS# (required)

RESIDENCE STREET: (must be physical street address)

CITY STATE ZIP COUNTY

DAYTIME PHONE CELL PHONE

BUSINESS NAME

SHIPPING ADDRESS (no P.O. Box)

CITY STATE ZIP COUNTY

INSURANCE LICENSE # FAX NUMBER

E-MAIL ADDRESS

National Producer Number (NPN#)

Your National Producer Number is required to process your paperwork. If you do not know your National Producer Number, you can look it up online at the National Insurance Producer Registry (NIPR).

Licenses Held/Permission to Appoint: Required

I am contacting as a(n): ☐ Individual/Sole Proprietor ☐ Corporation ☐ LLC ☐ Partnership

Federal Tax ID:

I give Grupo Latinoamericano de Seguros, LLC permission to appoint me as required in the following state(s).

I will be conducting business in:

I hold the following licenses: ☐ Health ☐ Life & Health ☐ Life, Health & Variable Annuity

(Attach copies of your Accident & Health license(s) for the applicable state(s) listed above and be sure to include agency license if contracting as Corporation.)

Assignment of Commissions: (if contracting as corporation, LLC or partnership with no agency license completed)

I permit Absolute Assignment of Commission: ☐ No ☐ Yes

X Signature Corporate ID#

REPRESENTATIVE AGREEMENT - COMPLIANCE HISTORY

Please read and answer each question. Attach detailed explanations in writing for any answer of Yes or No.

1. Have you ever been convicted of or plead guilty or nolo contendere (no contest) to:
 - a. Any crime involving theft, fraud, embezzlement, forgery, false statements, counterfeiting, extortion, or any other act involving the misappropriation of funds? ☐ Yes ☐ No
 - b. A conspiracy to commit any of the above offenses? ☐ Yes ☐ No
2. Are you now or have you ever been the subject of ANY complaint, investigation, or proceeding by any state insurance department, FINRA, the SEC, or any federal or state regulatory agency? ☐ Yes ☐ No
3. Do you have unsatisfied judgments or liens against you, or any pending litigation in which you are a defendant? ☐ Yes ☐ No
4. Are you currently a party, or in the past ten years have you been a party, to any lawsuit, arbitration, or civil litigation? ☐ Yes ☐ No
5. Have you ever been convicted of a felony or a misdemeanor other than a traffic offense? ☐ Yes ☐ No
6. Have you personally, or has any business in which you had control or an ownership interest, ever been subject to discipline by any regulatory entity, including but not limited to settlement stipulation, consent order, cease and desist order, fine, suspension, probation, revocation of license status or order of restitution? ☐ Yes ☐ No
7. Has any person ever complained to an insurance department or regulatory agency about your conduct as an agent? ☐ Yes ☐ No
8. Has any insurance or security company ever terminated any agency, agent, broker, or representative contract held by you for other than for low production? ☐ Yes ☐ No
9. Have you ever voluntarily resigned, been discharged, or been permitted to resign after allegations were made against you involving an alleged violation of investment-related statutes, regulations, rules or industry standards of conduct? ☐ Yes ☐ No

I CERTIFY THE ANSWERS PROVIDED HEREIN, INCLUDING ATTACHMENTS, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DISCLOSURE OF USE OF CONSUMER REPORTS: As part of its agreement process, Grupo Latinoamericano de Seguros, LLC ("Grupo") reserves the right to request consumer reports on prospective agents. From time to time following employment and/or contracting, Grupo reserves the right to request consumer reports on agents in connection with their contracts. This may include personal interviews with sources such as your neighbors, friends, associates and/ or former employers. Consumer reports and investigatory consumer reports may include information about any of the following: your character, general reputation, personal characteristics, education, past employment, credit report, professional credentials, and/or your driving, criminal and license disciplinary record. You hereby authorize Grupo to obtain an investigative background report for these purposes. In the event Grupo requests an investigative report, we are required by Fair Credit Reporting Act to notify you within three days after the report is requested, and if you make a written request, we are obligated to disclose to you within five days the nature and scope of the investigation requested.

AUTHORIZATION: I authorize Grupo to request and obtain one or more consumer reports and/or investigative consumer reports about me for appointment and/or contracting purposes.

Signature: X _____ : _____ Date _____

Please read and answer each question. Attach detailed explanations in writing for any answer of Yes or No.

1. Have you ever been convicted of or plead guilty or nolo contendere (no contest) to:
a. Any crime involving theft, fraud, embezzlement, forgery, false statements, counterfeiting, extortion, or any other act involving the misappropriation of funds?
b. A conspiracy to commit any of the above offenses?

☐ Yes ☐ No
☐ Yes ☐ No
☐ Yes ☐ No
2. Are you now or have you ever been the subject of ANY complaint, investigation, or proceeding by any state insurance department, FINRA, the SEC, or any federal or state regulatory agency?

☐ Yes ☐ No
3. Do you have unsatisfied judgments or liens against you, or any pending litigation in which you are a defendant?

☐ Yes ☐ No
4. Are you currently a party, or in the past ten years have you been a party, to any lawsuit, arbitration, or civil litigation?

☐ Yes ☐ No
5. Have you ever been convicted of a felony or a misdemeanor other than a traffic offense?

☐ Yes ☐ No
6. Have you personally, or has any business in which you had control or an ownership interest, ever been subject to discipline by any regulatory entity, including but not limited to settlement stipulation, consent order, cease and desist order, fine, suspension, probation, revocation of license status or order of restitution?

☐ Yes ☐ No
7. Has any person ever complained to an insurance department or regulatory agency about your conduct as an agent?

☐ Yes ☐ No
8. Has any insurance or security company ever terminated any agency, agent, broker, or representative for other than for low production?

☐ Yes ☐ No
9. Have you ever voluntarily resigned, been discharged, or been permitted to resign after allegations were made against you involving an alleged violation of investment-related statutes, regulations, rules or industry standards of conduct?

☐ Yes ☐ No

I CERTIFY THE ANSWERS PROVIDED HEREIN, INCLUDING ATTACHMENTS, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DISCLOSURE OF USE OF CONSUMER REPORTS: As part of its agreement process, Grupo Latinoamericano de Seguros, LLC ("Grupo") reserves the right to request consumer reports on prospective agents. From time to time following employment and/or contracting, Grupo reserves the right to request consumer reports on agents in connection with their contracts. This may include personal interviews with sources such as your neighbors, friends, associates and/ or former employers. Consumer reports and investigatory consumer reports may include information about any of the following: your character, general reputation, personal characteristics, education, past employment, credit report, professional credentials, and/or your driving, criminal and license disciplinary record. You hereby authorize Grupo to obtain an investigative background report for these purposes. In the event Grupo requests an investigative report, we are required by Fair Credit Reporting Act to notify you within three days after the report is requested, and if you make a written request, we are obligated to disclose to you within five days the nature and scope of the investigation requested.

AUTHORIZATION: I authorize Grupo to request and obtain one or more consumer reports and/or investigative consumer reports about me for appointment and/or contracting purposes.

Signature: X _____ : _____ Date _____

SALES AND MARKETING CODE OF ETHICS

AUTHORIZED REPRESENTATIVES FOR THE MCS CLASSICARE PRODUCTS

The leadership and continued growth of MCS depends on the integrity of the persons that represents MCS. Each Representative must subscribe and abide by the following Sales and Marketing Code of Ethics as well as with all CMS regulations, local and federal laws and MCS's Policies and Procedures and recognized that any violation of this Code may result on the termination of this Agreement and/or any possible course of action pursuant to CMS regulations and/or local laws.

PLEASE PUT YOUR INITIALS BEFORE EVERY CLAUSE:

- _____ 1. Representatives selling MCS Classicare products should act at all times in a courteous and professional manner and with respect towards the rights and requests of prospective beneficiaries.
- _____ 2. Representatives shall ensure to the best of their abilities that the prospective beneficiary has a sound mind and is capable of understanding the benefits of the plan being offered. If at any time the Representative doubts the potential beneficiary's mental capacity Representative must immediately stop the enrollment process and wait until Representative can meet with someone with legal authority to sign the affiliation.
- _____ 3. During the initial stages of the presentation, the Representative must state its name, the company it's representing and the purpose of the visit. The Representative will limit to explain only the corresponding plan, its benefits, limitations and how to enroll. Misrepresentations as part of Representative's presentation are prohibited.
- _____ 4. Representatives may indicate that the plans comply with the criteria specified by the governmental agencies. Representatives may never imply that Representative's visit is affiliated with the government or approved by any government agency or official or that Representative is representing any governmental agency.
- _____ 5. Representatives will base their presentations on the merits and quality of the plans and not by attacking competitors and their products.
- _____ 6. Representatives can only make presentations approved by MCS and will not use any form of pressure, coercion, deception, compassion, prey or use other unethical sales techniques during their presentations.
- _____ 7. Representatives must always provide true and accurate information in relation to the products for MCS beneficiaries. Representatives must avoid the use of false, misleading or fraudulent information or exaggerated assertions.
- _____ 8. Representatives cannot make door to door presentations. This is a violation of federal regulations.
- _____ 9. Representatives have been thoroughly trained in regards to the "Deeming Procedures" and to use the corresponding level of understanding, as applicable, with every potential beneficiary so that the potential beneficiary understands the plan to which Representative is subscribing.
- _____ 10. Representatives will be responsible for making sure that all enrollment information is complete, accurate and legible.
- _____ 11. Representatives, as part of their relationships with network providers, may not accept gifts, make arrangement to share or divide their incentives, accept additional financial incentives or allow in any other way to be coerced or influenced on the way they conduct their business. Furthermore, Representatives may not get involved on any clerical work not related to the sales, including but not limited to disaffiliations or medical referrals.
- _____ 12. Only MCS' Representatives that affiliate members are allowed to sign the enrollment forms as the Representatives on file. If the Representative is not present during the sales appointment, Representative's name may not appear on the application.
- _____ 13. MCS Representatives must observe MCS' anti-discrimination policies in regards to race, religion, color, sex, age or national origin pursuant to applicable legislation.

Los Representantes Autorizados de MCS Advantage, Inc. deben observar la política de la compañía anti-discrimen por razón de raza, credo, color, sexo, edad u origen nacional excepto conforme la legislación aplicable.
- _____ 14. MCS' Representatives must strictly abide to Exhibit V of this Agreement which details CMS' regulations in regards to the selling of products.

“DEEMING SUMMARY”

I, _____, during my training as an Representative, have been extensively trained in the use of the Statement of Understanding, specifically the “Deeming Provision” which is at the end of this section

I agree to present the Statement of Understanding in a comprehensive way to each potential beneficiary. Furthermore, I agree to contentiously explain the Deeming requirement to each prospect, irrespectively of Representative has decided to enroll on the plan in order for Representative to fully understand the effects of being enrolled to the plan.

I, _____, have fully read and understood the practices above described and agree to adhere by the. I have also read the Code of Ethics and agree to abide by it. Any violation of these policies may constitute enough cause to immediately terminate my relationship with MCS.

X _____
Representative Date

UNDERSTANDING YOUR PLAN/ “DEEMING PROVISION”

WELCOME TO MCS CLASSICARE. WE WISH TO PROVIDE YOU WITH HIGH QUALITY AND COMPREHENSIVE HEALTH SERVICES FOR YOUR SATISFACTION. WE WANT TO MAKE SURE THAT YOU FULLY UNDERSTAND THE RIGHTS AND RESPONSIBILITIES YOU HAVE AS A BENEFICIARY. PLEASE READ AND ANSWER THE FOLLOWING QUESTIONS AND SIGN YOUR NAME.

- 1) You understand that we will send you a written communication confirming the effective date of your subscription the MCS Classicare product?
- 2) You understand that beginning on the effective date, you may receive all your health care services through your MCS Classicare product from MCS Advantage Inc., with the exception of emergency room services, inside or outside the coverage are, or urgency care outside the coverage area? Nor MCS nor Medicare will pay for services rendered by physicians that decide not to receive reimbursements directly from MCS.

BUSINESS ASSOCIATE AND CONFIDENTIALITY AGREEMENT

This BUSINESS ASSOCIATE AND CONFIDENTIALITY AGREEMENT (this "Agreement") is executed this ____ day of _____, 2013 (the "Effective Date"), between _____, including its affiliates and subsidiaries ("Covered Entity"), a _____ corporation with principal offices at _____, duly represented by its Chief Executive Officer, _____ and _____ on behalf of itself and its Affiliates ("Business Associate"), with offices at _____, duly represented by its _____. Hereinafter, Covered Entity and Business Associate may each be referred to as a "Party" and collectively, as the "Parties."

RECITALS

WHEREAS, Business Associate provides consulting services in the area of the benefits procurement needs for companies;

WHEREAS Covered Entity and Business Associate intend to be, or are parties to certain agreement pursuant to which Business Associate intends to provide and/or provides certain services to Covered Entity (collectively, the "Services Agreement");

WHEREAS, in connection with the services Business Associate intends to provide and/or provides to Covered Entity pursuant to the Services Agreement, Business Associate creates, maintains, transmits, or receives Protected Health Information and Electronic Protected Health Information from or on behalf of Covered Entity (collectively, "PHI"), which PHI is subject to protection under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), regulations promulgated by the United States Secretary of the Department of Health and Human Services (the "Secretary") under HIPAA, including to the extent applicable, those provisions regarding to standard transactions for Electronic Data Interchange of health care data (collectively, the "HIPAA Regulations") further explained under the Patient Protection and Affordable Care Act ("PPACA") and the Health Care and Education Reconciliation Act ("HCERA"), and the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"); and

WHEREAS, Covered Entity and Business Associate intend to comply with the requirements of HIPAA, the HIPAA Regulations and the HITECH Act, as in effect or as amended from time to time, in connection with the performance of the Services Agreement; and

WHEREAS, in addition to PHI, Covered Entity and Business Associate may each receive and/or have access to Confidential Information of the other Party; and

WHEREAS, each of Covered Entity and Business Associate desire to protect and ensure against the disclosure of its Confidential Information.

NOW, THEREFORE, Business Associate and Covered Entity agree to be bound by the following terms and conditions:

TERMS AND CONDITIONS

1. Definitions. Capitalized terms used, but not otherwise specifically defined in this Agreement shall have the meaning given to such terms by HIPAA, the HIPAA Regulations, PPACA, HCERA and the HITECH Act, as in effect or as amended from time to time. The term "Confidential Information" is hereinafter defined in Section 5.
2. Obligations and Activities of Business Associate.
 - (a) Use and Disclosure. Business Associate shall not Use or Disclose PHI other than as permitted or required by the Services Agreement, this Agreement or as Required by Law. Business Associate agrees to fully comply with all state and federal law governing the security and privacy of PHI, including without limitation, HIPAA, the HIPAA Regulations and the HITECH Act.
 - (b) Administrative, Physical and Technical Safeguards. Business Associate agrees to: (i) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of PHI (including, without limitation, compliance with Subpart C of 45 C.F.R. Part 164), and (ii) prevent the Use or Disclosure of PHI other than as provided for by the Services Agreement, this Agreement or as Required by Law.
 - (c) Reporting. Business Associate agrees to report to Covered Entity any Breach of Unsecured PHI or a Security Incident within eight (8) hours following discovery of such Breach or Security Incident. After reporting the breach to Covered Entity, Business Associate must send a report and corrective action plan to Covered Entity within seventy-two (72) hours. The report must include the identification of each individual whose PHI has been, or is reasonably believed by Business Associate to have been accessed, acquired, or disclosed during such Breach or Security Incident, as well as all other relevant information. Business Associate shall contact the following designees to report a Breach or Security Incident:
 - (i) Privacy Officer or his/her designee, by telephone at (787) 758-2500, extension 2694 and/or the Security Officer or his/her designee at (787) 758-2500, extension 2716 or by email at hipaa@medicalcardsystem.com; or
 - (ii) In person, at the Compliance Department, MCS Plaza, 255 Ponce de Leon Avenue, 17nd Floor, San Juan, Puerto Rico.
 - (d) Agents and Subcontractors.
 - (i) Business Associate agrees to ensure that any employee, agent or subcontractor to whom it provides PHI and/or Confidential Information, agrees to be bound, in writing, by the same restrictions, terms and conditions that apply to Business Associate pursuant to this Agreement.
 - (ii) Business Associate agrees to require its agents and subcontractors to immediately report to Covered Entity, in writing, any Use or Disclosure of PHI and/or Confidential Information other than as provided for by the Services Agreement, this Agreement or as Required by Law.
 - (iii) Business Associate must ensure that individuals receiving PHI and/or Confidential Information are properly trained in the use and handling of PHI and/or Confidential Information and have in place a Business Associate and Confidentiality Agreement with Business Associate.
 - (e) Mitigation. Following a Use or Disclosure of PHI by Business Associate or its employees, agents or subcontractors which is in violation of the requirements of this Agreement, HIPAA, the HIPAA Regulations or other applicable state or federal laws or regulations, Business Associate agrees to mitigate, to the extent practicable, any harmful effect associated with such Use or Disclosure that is known to Business Associate.
 - (f) Designated Record Set; Access to Information; Amendment.
 - (i) Upon five (5) days' notice from Covered Entity, Business Associate agrees to provide access to and copies of PHI contained in a Designated Record Set to Covered Entity or, if directed by Covered Entity, to an individual whose PHI is contained in a Designated Record Set. Business Associate shall not provide any individual with access to or copies of PHI, unless such access or copying is first approved by Covered Entity or otherwise Required by Law.
 - (ii) Upon ten (10) days' notice from Covered Entity, Business Associate agrees to make available to Covered Entity such PHI as may be required to amend information contained in a Designated Record Set and to incorporate any such amendment(s) into the PHI maintained by Business Associate.
 - (iii) In the event an individual makes a request directly to Business Associate for either access to or amendment of such individual's PHI, Business Associate agrees to notify Covered Entity in writing of the request within two (2) business days of such request and to cooperate with Covered Entity in responding to such request.
 - (g) Access to Books and Records. Business Associates agrees to:
 - (i) Implement reasonable and appropriate policies and procedures in order to comply with the standards, safeguards and other requirements of HIPAA, the HIPAA Regulations, the HITECH Act, and other applicable state and federal laws and regulations and amend such policies and

procedures as may be necessary from time to time;

- (ii) Make internal practices, books, and records relating to the Use and Disclosure of PHI available to the Covered Entity or the Secretary upon request; and
- (iii) Retain documentation required under this Agreement and by state and federal law for ten (10) years from the date of its creation or the date when it was last in effect, whichever is later.

(h) Accounting of Disclosures.

- (i) Business Associates agrees to document all Disclosures of PHI, including any information related to such Disclosures that is required for Covered Entity to respond to a request by an individual for an accounting of Disclosures.
- (ii) Within ten (10) days of receipt of a written request by Covered Entity for an accounting of Disclosures, Business Associate agrees to make available to Covered Entity such information in Business Associate's possession as may be required for Covered Entity to fulfill its obligations to provide an accounting of Disclosures of PHI in accordance with HIPAA, the HIPAA Regulations and the HITECH Act.
- (iii) In the event an individual makes a request for an accounting of Disclosures directly to Business Associate, Business Associate shall notify Covered Entity of the request within three (3) days of such request and will cooperate with Covered Entity in responding to such request.

3. Permitted Uses and Disclosures of PHI.

- (a) Services Agreement. Except as otherwise limited herein, Business Associate may Use or Disclose PHI to perform those functions, activities or services for, or on behalf of, Covered Entity as specified in the Services Agreement, provided such Use or Disclosure would not violate HIPAA, the HIPAA Regulations or the HITECH Act if done by Covered Entity.
- (b) Administration of Business Associate. Except as otherwise limited herein, Business Associate may:
 - (i) Use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate;
 - (ii) Disclose PHI for the proper management and administration of Business Associate, provided that the Disclosure is either Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that the information will remain confidential, that the information will only be Used or Disclosed for the purpose for which it was disclosed to such person or as Required by Law, and that such person must notify the

Business Associate of any instances of which it becomes aware involving the breach of the confidentiality or security of such information.

- (c) De-identification. Except as otherwise limited herein, Business Associate may de-identify any and all PHI obtained by Business Associate under this Agreement and use such de-identified data in accordance with the de-identification requirements set forth in the HIPAA Regulations at 45 C.F.R. 164.514.
- (d) Legal Mandates. Except as otherwise limited herein, Business Associate may Disclose PHI if such Disclosure is Required by Law, provided that Business Associate must first attempt to obtain reasonable assurances from the person to whom the information is Disclosed that the information will remain confidential, that the information will only be Used or Disclosed for the purpose for which it was Disclosed to such person or as Required by Law, and that such person must notify the Business Associate of any instances of which it becomes aware involving the breach of the confidentiality or security of such information.
- (e) Minimum Necessary. Business Associate agrees to limit any Use, Disclosure, or request for Use or Disclosure of PHI to the minimum amount necessary to accomplish the intended purpose of the Use, Disclosure, or request, in accordance with the requirements of HIPAA Regulations.

4. Obligations of Covered Entity With Respect to PHI. Covered Entity shall notify Business Associate of any agreement or arrangement entered into by Covered Entity which may impact in any manner the Use and/or Disclosure of PHI by Business Associate pursuant to this Agreement.

5. Definition of Confidential Information.

- (a) Subject the provisions of Section 5(b) and the limitations set forth in Section 6, "Confidential Information" means any information, work, ideas, plans, confidential vendor information, strategies, processes, or inventions of the disclosing Party ("Discloser") in written, oral, electronic, or any other form, including, but not limited to, business processes, information technology plans or systems, production plans, marketing plans, environmental initiatives, business initiatives, regulatory matters, sales programs, financing arrangements, product designs, merchandising designs, customers, vendors, employees, contract terms and conditions, and any information relating to the discussions, negotiations, agreements, dealings, projects or business, in each case whether or not disclosed prior to or after the Effective Date hereof. Confidential Information shall also include any information that would, under the circumstances, appear to a reasonable person to be confidential or proprietary.
- (b) In addition, either Party may designate information disclosed to the receiving Party ("Recipient") as

“confidential” or “proprietary” and such designated information shall be deemed to be Confidential Information under this Agreement. However, in the absence of such specific designation, nothing herein shall be deemed to relieve Recipient from treating as Confidential Information any information identified in Section 5(a) or any other information that would, under the circumstances appear to a reasonable person to be confidential or proprietary.

6. Exclusions from “Confidential Information”. The term “Confidential Information” shall not be deemed to include information which, to the extent that Recipient can establish by competent proof:

- (a) at the time of disclosure is in the public domain;
- (b) after disclosure, becomes part of the public domain by publication or otherwise, except by (i) breach of this Agreement by Recipient, or (ii) disclosure by any person or affiliated company to whom Confidential Information was disclosed under this Agreement;
- (c) was (i) in Recipient’s possession in documentary form at the time of disclosure by Discloser, or (ii) independently developed by or for Recipient by any person or persons who had no knowledge of the Confidential Information; or
- (d) Recipient received from a third party who had the lawful right to disclose the Confidential Information and who did not obtain the Confidential Information under an obligation of confidentiality.

7. Permissible Disclosures of Confidential Information. Notwithstanding any other provision of this Agreement, disclosure of Confidential Information shall not be precluded if such disclosure:

- (a) is in response to a valid order of a court or to another governmental body of the United States or any political subdivision thereof; or
- (b) is required by law or regulation; provided, however, that the Party required to make such disclosure shall make reasonable efforts to give prompt notice to Discloser and cooperate in all reasonable respects with Discloser’s efforts to obtain a protective order or grant of confidentiality, so that the Confidential Information required to be disclosed may be used only for purposes for which such order was issued or as required by such law or regulation.

8. Protection of Confidential Information. Each of the Parties agree that:

- (a) both Parties shall treat as confidential and shall not, directly or indirectly, cause or permit to be used nor disclosed nor made available to any other person or entity, any Confidential Information received, learned, observed, known by or made available to Recipient, or to which Recipient has access, without the prior, written, express, authorization of Discloser;
- (b) both Parties shall limit disclosure and availability of the Confidential Information to those directors, officers, and employees of Recipient who need to

know the Confidential Information in connection with the Service Agreement and the transactions contemplated thereby and who is bound by a written agreement with Recipient to maintain Confidential Information in confidence under the terms no less burdensome than those set forth herein. Recipient shall be responsible for any breach of such confidentiality by any of its officers, employees, agents, contractors or affiliates;

- (c) both Parties shall exercise reasonable care with respect to disclosure of the Confidential Information, at least to the same degree of care as Recipient employs with respect to its own Confidential Information;

9. Ownership of Confidential Information. All Confidential Information (including copies thereof) shall remain the sole property of Discloser, and nothing herein shall be construed to grant to Recipient any license to use such information nor any ownership interest therein. Neither Party shall use the name or any assumed business name, service marks, trademarks, logos or other marks of the other Party without the express written consent of such Party.

10. Business Associate Further Obligations.

- (a) Business Associate shall maintain the confidentiality of the passwords used to access any system, database or equipment belonging to or containing information pertaining to Covered Entity and any of its beneficiaries and agreeing not to disclose user passwords at any time to any person regardless of their position. If believed that the confidentiality of the password(s) provided to Business Associate has been compromised, Business Associate shall immediately report such incident to Covered Entity’s Security and Privacy Officer (using the contact information set forth in Section 2(c)).
- (b) Business Associate shall notify Covered Entity’s Security and Privacy Officer of any breach, or action or inaction which may give rise to a breach, of this Agreement and/or Covered Entity’s Policies and Procedures regarding confidentiality, privacy and information security.

11. Term and Termination.

- (a) Term. The term of this Agreement commences on the Effective Date and continues in effect until the last to occur of the following: (i) the expiration or termination of the Services Agreement or this Agreement, whichever occurs first; (ii) all PHI created, maintained, or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity; and (iii) all Confidential Information is returned by each Recipient to the applicable Discloser.
- (b) Termination for disclosure of PHI. Upon Covered Entity’s knowledge of a breach of this Agreement pertaining to PHI by Business Associate, Covered Entity shall either: (i) terminate this Agreement

immediately; or (ii) in its sole discretion, provide an opportunity for Business Associate to cure the breach within the timeframe specified by Covered Entity. If Business Associate does not cure the breach within the timeframe specified, Covered Entity shall terminate both this Agreement and all provisions of the Services Agreement which involve the Use and/or Disclosure of PHI. If termination of this Agreement is not feasible, Covered Entity shall report the violation to the Secretary.

(c) Effect of Termination With Respect to PHI. Except as otherwise provided herein, upon termination of this Agreement, Business Associate shall return or destroy all PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity. In the event Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall: (i) notify Covered Entity of the conditions that make return or destruction infeasible; (ii) extend the protections of this Agreement to such PHI; and (iii) limit further Uses and Disclosures of such PHI to those purposes which make return or destruction infeasible. If Covered Entity makes a reasonable determination that return or destruction of the PHI is feasible, Business Associate shall return or destroy such PHI in the time and manner designated by Covered Entity. This provision shall also apply to PHI that is in the possession of Business Associate's employees, agents and subcontractors. This Section 11(c) shall survive the termination of this Agreement.

(d) Effect of Termination With Respect to Confidential Information. Except as otherwise provided herein, upon termination of this Agreement, Recipient shall return to Discloser all Confidential Information or, at Discloser's option, provide to Discloser an affidavit stating that all Confidential Information has been destroyed. This provision shall also apply to Confidential Information that is in the possession of Recipient's employees, agents and subcontractors. Notwithstanding the termination of this Agreement, neither Party shall be relieved of the confidentiality obligations imposed by this agreement with respect to Confidential Information disclosed prior to the date of termination. This Section 11(d) shall survive the termination of this Agreement.

(e) Return of Property. Upon the termination of this Agreement, Recipient shall return to Discloser any and all documentation regardless of its format as well as any materials belonging to such Party, including but not limited to computers, magnetic tapes, audio tapes, diskettes, compact disks, correspondence, manuals, notes and memoranda that are in Recipient's possession, custody, or control.

12. Indemnification.

(a) By Business Associate. Business Associate agrees to indemnify and hold harmless Covered Entity from

and against any and all costs, expenses, claims, demands, causes of action, damages, attorneys' fees or judgments that arise out of or that may be imposed upon, incurred by, or brought against Covered Entity in any way relating to or arising out of: (i) a breach of this Agreement by Business Associate; (ii) a violation of state or federal law, including without limitation HIPAA, the HIPAA Regulations, or the HITECH Act, by Business Associate or its employees, agents or subcontractors; or (iii) the unauthorized Use or Disclosure of PHI by Business Associate, or its employees, agents or subcontractors.

(b) By Recipient. Recipient agrees to indemnify and hold harmless Discloser from and against any and all costs, expenses, claims, demands, causes of action, damages, attorneys' fees or judgments that arise out of or that may be imposed upon, incurred by, or brought against Discloser in any way relating to or arising out of: (i) a breach of this Agreement by Recipient; or (ii) the unauthorized use or disclosure of Confidential Information by Recipient, or its employees, agents or subcontractors.

(c) Survival. This Section 12 shall survive the termination of this Agreement.

13. Injunctive Relief. Each Party hereby acknowledges and agrees that in the event of any breach of this Agreement, including, without limitation, the actual or threatened disclosure of Discloser's Confidential Information without the prior express written consent of Discloser, Discloser will suffer an irreparable injury, such that no remedy at law will afford it adequate protection against, or appropriate compensation for, such injury. Accordingly, each Party hereby agrees that the other Party shall be entitled to specific performance of Recipient's obligations under this Agreement, as well as such further injunctive and/or other relief as may be granted by a court of competent jurisdiction.

14. Miscellaneous.

(a) Amendment. The parties agree to take such action to amend this Agreement from time to time as is necessary to comply with the requirements of HIPAA, the HIPAA Regulations, the HITECH Act or other applicable law.

(b) Governing Law; Jurisdiction. This Agreement shall be governed by Federal law and the laws of the Commonwealth of Puerto Rico. Any action arising out of or relating to this Agreement shall be brought in any commonwealth or Federal court located in the Commonwealth of Puerto Rico and both Parties hereby irrevocably submit to the exclusive jurisdiction of the commonwealth and Federal courts of the Commonwealth of Puerto Rico.

(c) Incorporation; Regulatory References. Any provisions now or hereafter required to be included in this Agreement by applicable Commonwealth of Puerto Rico, state, and federal laws or regulations shall be binding upon and enforceable against the parties and be deemed incorporated herein,

irrespective of whether or not such provisions are expressly set forth in this Agreement. A reference in this Agreement to a section in HIPAA, the HIPAA Regulations or the HITECH Act, or any other Commonwealth of Puerto Rico, state, or federal law, means the section as in effect or as amended, including any corresponding provisions of subsequent superseding laws or regulations.

(d) Interpretation. The provisions of this Agreement shall prevail over any provisions in the Services Agreement that may conflict with any provision of this Agreement. Any ambiguity in this Agreement shall be resolved to permit the parties to comply with HIPAA and the HITECH Act.

(e) Notices. Any notice or other communication by one party to the other must be in writing and will be deemed to have been given if hand-delivered or sent by certified mail, postage prepaid, return receipt requested or by any nationally-recognized overnight courier. Notices under this Agreement shall be sent to the parties at the addresses set forth below or to such other addresses as the parties may from time to time respectively designate in writing.

Covered Entity:

Business Associate:

(f) Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall be deemed

modified to the extent necessary to allow enforcement and the remaining provisions shall remain in full force and effect.

(g) Exclusion List. Consultant hereby represents that neither Consultant nor any of its employees have been excluded from participation in Medicaid, Medicare, or CHIP by the Department of Health and Human Services, the DHS Office of Inspector General, and that neither Consultant nor any of its employees are on the Excluded Parties List System (EPLS) maintained by the Federal General Services Administration or on Puerto Rico's list of excluded Providers. Consultant acknowledges that breach of this clause will result in immediate termination of this Agreement and in financial recovery of any amounts paid by the Company against Consultant for services rendered after the exclusion.

(h) Miscellaneous. The Services Agreement, together with this Agreement, constitutes the entire agreement between the parties with respect to the subject matter contained herein. The terms of this Agreement shall be incorporated into the Services Agreement. In the event of a dispute arising hereunder, the non-prevailing party shall be responsible for the costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in connection with such dispute. This Agreement may not be supplemented, modified, amended, released or discharged except by an instrument in writing signed by each party's duly authorized representative. All captions and headings in this Agreement are for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. Any waiver by either party of any default or breach hereunder shall not constitute a waiver of any provision of this Agreement or of any subsequent default or breach of the same or a different kind. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission shall be binding to the same extent as an original signature page.

IN WITNESS WHEREOF, this Agreement is executed by the parties, acting through their duly authorized representatives, as of the dates set forth, below.

BUSINESS ASSOCIATE

By _____

Name _____

Title _____

Date _____

COVERED ENTITY

By _____

Name _____

Title _____

Date _____

MEDICARE ADVANTAGE AND MEDICARE PART D REGULATORY EXHIBIT

The following Medicare Advantage and Medicare Part D terms and conditions shall be incorporated into the Authorized Representative Agreement between Grupo Latinoamericano de Seguros LLC (herein referred to as "Grupo") and REPRESENTATIVE. These provisions shall only apply to services provided by Representative to or for MCS's Medicare Advantage and/or Medicare Part D plans in accordance with and pursuant to the Medicare Modernization Act of 2003 (MMA) (Social Security Act Section 1860D-1 through 1860D-41), any subsequent amendments to the MMA and applicable regulations. In the event that there is a conflict between the Agreement and these Medicare Advantage and Medicare Part D terms and conditions, the Medicare Advantage and Medicare Part D terms and conditions shall control, but only as they relate to services provided to Covered Individuals enrolled in MCS's Medicare Advantage and/or Medicare Part D plans.

1. **Federal Funds.** Consistent with, but not limited to, 42 C.F.R. 423.100, Representative acknowledges that payments Representative receives from MCS to provide services to Medicare Advantage or Part D enrollees, are, in whole or part, from Federal funds. Therefore, Representative and any of its subcontractors may be subject to certain laws that are applicable to individuals and entities receiving Federal funds.
2. **Confidential Information.** Representative recognizes that in the performance of its obligations under this Agreement it may be party to MCS's proprietary, confidential, or privileged information, including, but not limited to, information concerning MCS's members. Representative agrees that, among other items of information, the identity of, and all other information regarding or relating to any of MCS's customers is confidential. Representative agrees to treat such information as confidential and proprietary information of MCS, and all such information shall be used by Representative only as authorized and directed by MCS pursuant to this Agreement, and shall not be released to any other person or entity under any circumstances without express written approval of MCS. During and after the term of this Agreement, Representative shall not disclose or use any of the information described in this Section for a purpose unrelated to the terms and obligations of this Agreement. Further, Representative agrees to abide by all Federal and State laws regarding confidentiality and disclosure of Medicare enrollee information. In addition, Representative agrees to abide by the confidentiality requirements established by MCS and CMS for the Medicare Advantage and/or Medicare Part D program.
3. **Inspection of Books and Records.** In accordance with, but not limited to, 42 C.F.R. 423.505(i) and/or 422.504(i), Representative acknowledges that the Department of Health and Human Services (HHS), the Comptroller General, or their designees have the right to inspect, evaluate and audit any pertinent contracts, books, documents, papers, and records of Representative, or its subcontractors or transferees involving transactions related to MCS's Medicare Advantage and/or Medicare Part D contract through ten (10) years from the final date of the contract period or from the date of the completion of any audit, or for such longer period provided for in other applicable law, whichever is later. For the purposes specified in this provision, Representative agrees to make available Representative's premises, physical facilities and equipment, records relating to MCS's Medicare Advantage and/or Medicare Part D enrollees, and any additional relevant information that CMS may require.
4. **Independent Status.** Representative is an independent contractor and nothing contained in this Agreement shall be construed or implied to create an agency, partnership, joint venture, or employer and employee relationship between Representative and Grupo and/or MCS. At no time shall either party make commitments or incur any charges or expenses for or in the name of the other party except as otherwise permitted by this Agreement.
5. **Subcontractors.** In accordance with, but not limited to, 42 C.F.R. 423.505(i)(3) and/or 422.504(i)(3)(ii), Representative agrees that if Representative enters into subcontracts to perform services under the terms of the Agreement, Representative's subcontractors shall include an agreement by the subcontractor to comply with all of the Representative's obligations in this Medicare Advantage and Part D Regulatory Exhibit and applicable terms in the Agreement.
6. **Federal and Commonwealth Laws.** Consistent with, but not limited to, 42 C.F.R. 423.505(i)(4), 423.505(i)(3)(iii), 422.504(i)(4) and/or 422.504(i)(3)(iii), Representative agrees to comply, and to require any of its subcontractors to comply, with all applicable Federal and Commonwealth of Puerto Rico laws, regulations, CMS instructions, and policies relevant to the activities to be performed under the Agreement, including but not limited to, CMS Medicare Advantage and/or Medicare Part D marketing guidelines, and any requirements for CMS prior approval of materials. Further, Representative agrees that any services provided by the Representative or its subcontractors to MCS's Medicare Advantage and Medicare Part D enrollees will be consistent with and will comply with MCS's Medicare Advantage and/or Part D contractual obligations.
7. **Compliance Program.** MCS maintains an effective Compliance Program and Code of Conduct, and requires its contractors to act in accordance therewith. MCS will provide a copy of its then current Code of Conduct to Representative upon request. Representative must adhere to and comply with the provisions of this Code applicable to their activities on behalf of MCS. Violations of the Compliance Program and Code of Conduct will result in contract termination.

8. **Ineligible Persons.** Representative warrants and represents that at the time of entering into this Agreement and/or when providing services to or for the benefit of Medicare Advantage and/or Medicare Part D members, neither Representative/it nor any of Representative's/its employees, contractors, subcontractors or agents have a conflict of interest or are ineligible persons identified on the General Services Administrations' List of Parties Excluded from Federal Programs (available through the internet at <http://www.arnet.gov/epls>) and the HHS/OIG List of Excluded Individuals/Entities (available through the internet at <http://www.dhhs.gov/progorg/oig>); or any subsequently provided or updated source that provides such information. In the event Representative or any employees, subcontractors or agents thereof becomes an ineligible person after entering into this Agreement or otherwise fails to disclose Representative's ineligible person status, Representative shall have an obligation to (1) immediately notify MCS of such ineligible person status and (2) within ten days of such notice, remove such individual from responsibility for, or involvement with, MCS's business operations related to this Medicare Advantage and Medicare Part D Exhibit. MCS retains the right to provide notice of immediate termination of the Agreement to Representative in the event it receives notice of Representative's ineligible person status.
9. **Illegal Remunerations.** Representative specifically represents and warrants that activities to be performed under the Agreement are not considered illegal remunerations (including kickbacks, bribes or rebates) as defined in § 1128B(b) of the Social Security Act.
10. **Termination-Regulatory Issues.** In accordance with, but not limited to, 42 C.F.R. 423.505(i)(5) and/or 422.504(i)(5), if during the term of the Agreement, MCS concludes that it is necessary to cancel any of the activities to be performed under this Agreement in order to comply with Federal or State laws, regulations, or policies, MCS may, at its discretion, cancel the activity and be relieved of any related obligations under the terms of the Agreement. If MCS or Representative concludes that it is necessary to reorganize or restructure any of the activities to be performed under this Agreement in order to comply with Federal or State laws, regulations, or policies, MCS or Representative may request to renegotiate such terms.
11. **Oversight Responsibility.** Representative acknowledges that MCS shall oversee and monitor Representative's performance of its responsibilities set forth in this Agreement on an ongoing basis and that MCS is ultimately responsible to CMS for the performance of such services. Representative further acknowledges that MCS shall oversee and is accountable to CMS for the functions and responsibilities described in the Medicare Part D regulatory standards and ultimately responsible to CMS for the performance of all services.
12. **Revocation.** Representative agrees that Grupo or MCS has the right to revoke this agreement if CMS or MCS determines that Representative has not performed the services satisfactorily and/or if requisite reporting and disclosure requirements are not otherwise fully met in a timely manner. Such revocation shall be consistent with the termination provisions of the Agreement.
13. **Marketing Materials.** Representative understands that all marketing materials and communications with beneficiaries have to be previously approved by MCS and CMS. Marketing materials includes, brochures, letters, handouts, posters, sales kits, door knob hangers, flyers, referral questionnaires, ads, flip-charts, etc., used to steer or communicate with potential or current beneficiaries.
14. **Hold Harmless.** In accordance with, but not limited to, 42 C.F.R. 423.505(i) and 423.505(g), and/or 422.504(i)(3) and 422.504(g)(1) and (2), both parties agree that in no event, including but not limited to non-payment by MCS, insolvency of MCS or breach of the Agreement, shall Representative bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against a Medicare Advantage and/or Medicare Part D Covered Individual or persons other than MCS acting on their behalf for covered services provided pursuant to the Agreement. This provision does not prohibit the collection of supplemental charges or Copayments on MCS's behalf made in accordance with the terms of the Medicare Advantage and/or Part D enrollee's benefits.
15. **Prohibition of Payment/Gifts/Incentives to Beneficiaries.** Representative shall not provide or offer gifts or payments to a Medicare Advantage and/or Part D enrollee as an inducement to enroll in an MCS Medicare Advantage and/or Part D Product. Notwithstanding this section, Representative may provide an individual eligible for Medicare Advantage and/or Part D a gift of nominal value, so long as the gift is provided whether or not the individual enrolls in the plan. For purposes of this Agreement, nominal value is defined as an item having little or no resale value and which cannot be readily converted into cash. Generally nominal value gifts are worth less than \$15.00 In addition, while Representative may describe legitimate benefits the individual eligible for Medicare Advantage and/or Part D may receive, Representative is prohibited from offering or giving rebates, dividends or any other incentives, especially those that in any way compensate for lowered utilization of health services by such eligible individual. This includes, but is not limited to the fact the Representative may not tie lowered or reduced premium costs for the Medicare Advantage and/or Part D enrollee to their decreased utilization of health services.
16. **Unsolicited Contacts.** Representative may not do any of the following:
- Place any outbound marketing calls to Members or to beneficiaries, including leaving electronic voicemail messages or text messaging, unless the beneficiary expressly given permission to be contacted;

- b. Place calls to former Members who have disenrolled or to current Members who are in the process of voluntarily disenrolling, to market plans or products;
- c. Place calls to Members or beneficiaries to confirm receipt of mailed information, unless otherwise set forth herein
- d. Place calls to Members or beneficiaries to confirm acceptance of appointments made by third parties or independent agents;
- e. Approach Members or beneficiaries in common areas (i.e. parking lots, hallways, lobbies, etc.)
- f. Place calls or visit Members or beneficiaries who attended a sales event, unless the Member or beneficiary gave express permission at the event for a follow-up visit or call.
- g. Door to door solicitation, including leaving information such as a leaflet or flyer at a residence or car.

16.1 Representative may do the following:

- a. Place a call to a Member or beneficiary that they enrolled into an MCS Medicare Advantage and/or Part D plan as long as the Member remains enrolled with the MCS plan; or
- b. Place a call to a beneficiary who has expressly given permission for Representative to contact them, for example by filling out a business reply card or asking a Customer Service Representative of MCS to have an Representative contact them. This permission by the beneficiary applies only to MCS Medicare Advantage and/or Part D plans for the duration of that transaction or as otherwise indicated by the beneficiary.

17. Cross Selling is Prohibited. Representative understands and agrees that marketing non-health care related products (such as annuities and life insurance) to prospective enrollees during any Medicare Advantage and/or Part D sales activity or presentation is considered cross selling and is strictly prohibited, pursuant to 42 C.F.R. 422.268 (f)

18. Scope of Representative Appointments with Beneficiaries. Representative must clearly identify the types of products that will be discussed before marketing to a potential enrollee and the beneficiary must agree to the scope of the appointment and such agreement must be documented by Representative. For example, if a beneficiary attends a sales presentation and schedules an appointment, the Representative must obtain written documentation signed by the beneficiary agreeing to the products that will be discussed during the appointment. In addition, appointments that are made by Representative over the phone must be recorded in order to provide adequate documentation. Representative will maintain the required documentation providing the scope of the appointment and will provide such documentation to MCS upon request. Representative further agrees that additional products may not be discussed unless the

beneficiary requests the information and any additional lines of business that are not identified prior to the in home appointment will require a separate appointment. Separate appointments cannot be re-scheduled until forty-eight (48) hours after the initial appointment. Representative may, however, leave MCS materials during the initial appointment so long as enrollment applications are not left with potential enrollees.

19. Marketing in Health Care Settings. Representative is prohibited from conducting sales presentations and distributing and/or accepting enrollment applications in areas where patients primarily intend to receive health care services. These restricted areas generally include, but are not limited to, waiting rooms, exam rooms, hospital patient rooms, dialysis centers, and pharmacy counter areas (where patients wait for services or interact with pharmacy providers and obtain medication). Representative may, however, conduct sales and marketing activities only in common areas of health care settings. Common areas include areas such as hospital or nursing home cafeterias, community or recreational rooms, conference rooms and space in a pharmacy outside of the area where patients wait for services or interact with pharmacy providers and obtain medication. For beneficiaries residing in long term care facilities, Representative may only schedule an appointment if the beneficiary requested it.

20. Sales/Marketing Prohibited at Educational Events. Representative may not include sales activities, including but not limited to distribution of marketing materials or distribution or collection of MCS Medicare Advantage and/or Part D enrollment applications at educational events. Moreover, Representative must include the following disclaimer on all materials advertising an educational event: "educational only and information regarding the a Medicare Advantage and/or Part D plan will not be available." An educational event is one that is sponsored by a health insurance plan or by outside entities and are promoted to be educational in nature and have multiple vendors, such as health information fairs, conference expositions, state- or community-sponsored events.

21. Prohibition on the Provision of Meals. Representative may not provide meals or subsidize meals for any prospective enrollee of a Medicare Advantage or Part D plan at any event or meeting at which plan benefits are being discussed and/or plan materials are being distributed. Representative may provide refreshments and light snacks so long as the items provided could not be reasonably considered a meal and/or that multiple items are not being bundled and provided as if a meal. The following light snacks could generally be considered acceptable: fruit, raw vegetables, pastries, cookies or other small dessert items, crackers, muffins, cheese, chips, yogurt or nuts. Meals must comply with the nominal gift requirement in Section 70.1.1 of the CMS Marketing Guidelines.

22. Representative must provide the following disclosure or a substantially similar disclosure, prior to enrollment or at the time of enrollment, in writing, to a potential enrollee: "The person that is discussing plan options with you is either employed by or contracted with MCS. The person may be compensated based on your enrollment in a plan."
23. Representative warrants and represents that it is properly licensed, certified, and/or registered under applicable state laws to sell and/or market Medicare Advantage and/or Medicare Part D products.
24. Representative is prohibited from employing discriminatory practices that preferentially enroll healthier beneficiaries, mislead beneficiaries or churn beneficiaries between Medicare Advantage and/or Medicare Part D plans. Representative agrees to implement policies, procedures and monitoring activities that are consistent with these concepts noted in this provision.
25. Irrespective of any conflicting term or provision, MCS shall not pay Representative a Medicare Advantage and/or Medicare Part D commission rate that is based upon the value of the Medicare Advantage and/or Medicare Part D business generated for MCS (i.e., profitability of the book of business). Representative reimbursement for Medicare Advantage and/or Medicare Part D business shall not be tied or linked to a beneficiary's health risk profile.
26. Consistent with CMS guidance, Representative agrees that MCS may withhold or withdraw payment if a Medicare Advantage and/or Medicare Part D beneficiary dis-enrolls in an unreasonably short time frame (i.e., rapid disenrollment). An "unreasonably short time frame" is defined as less than 60 days after enrollment but may be a longer time period if MCS reasonably determines it to be a longer period of time.
27. **Contracting Authority.** Each party to this Agreement warrants that it has full power and authority to enter into this Agreement and the person signing this Agreement on behalf of either party warrants that Representative has been duly authorized and empowered to enter into this Agreement.



ACUERDO PARA AUTORIZACIÓN DE PAGOS ELECTRÓNICOS CLIENTE

Nombre del Cliente _____ Seguro Social _____

Autorizo a Medical Card System, Inc. a acreditar a la cuenta y al banco indicado a continuación:

Nombre del banco (institución financiera) _____

Tipo de cuenta (ahorro/cheque) _____

Sucursal _____

Pueblo _____ País _____ Zona Postal _____

Número de ruta o tránsito (ABA) _____ (verificar con el banco)

Número de cuenta _____

Este acuerdo permanecerá vigente hasta que Medical Card System, Inc. y el Banco arriba indicado reciban notificación escrita por parte de _____ de su terminación.
(Cliente)

Firma autorizada

Fecha

Nombre (letra de molde)

FAVOR DE ENVIAR COPIA DE UN CHEQUE NULO DE LA CUENTA A SER ACREDITADA.

Nota: Por favor, completa cada blanco y devuelva copia de esta forma a MCS, atención Departamento de Finanzas, Cuentas a Pagar. No se efectuarán transacciones electrónicas hasta recibir esta hoja.

Contacto: Ramón Arroyo, Departamento de Finanzas
Teléfono: (787) 758-2500, Ext. 2478
Fax: (787) 622-2098



PERFIL DEL REPRESENTANTE AUTORIZADO O PRODUCTOR

Fecha: _____ Tel. Oficina: _____
Nombre: _____ Tel Residencial: _____
Dirección Postal: _____ Celular: _____
_____ Fax: _____
Dirección Física: _____ S.S. _____
_____ Fecha de nacimiento: _____
E mail: _____ S.S. Patronal: _____

Status Actual: Productor Representante Autorizado Agente General

Licencias Activas: Vida
 Incapacidad
 Servicios de Salud Fecha expiración: _____

Licencias Provisionales: Vida Fecha expiración: _____
 Incapacidad Fecha expiración: _____
 Servicios de Salud Fecha expiración: _____

***Tiempo que lleva la compañía de seguros o el agente establecido en PR:** _____

Otras Compañías con las que gestiona negocios actualmente:

Cursos especializados o Educación Continuada:

Posee Póliza de Error & Omisión: Si No

Compañía: _____

Número de póliza: _____ Nivel de Seguro: _____

EJECUTIVO DE VENTAS O RENOVACIONES: _____