

**HEALTH FIRST  
AGENT AND BROKER AGREEMENT**

THIS AGENT AND BROKER AGREEMENT (“Agreement”) is made and entered into as of the date set forth on the signature page (the “Effective Date”) by and between HEALTH FIRST INSURANCE, INC. (“HFI”), HEALTH FIRST HEALTH PLANS, INC. (“HFHP”) (HFI and HFHP are collectively referred to herein as “HEALTH FIRST”) and the agent/broker identified on the signature page (“Agent”).

WHEREAS, HFI is licensed to operate as a Life and Accident Health Insurer by the State of Florida and offers healthcare products, including, but not limited to, Medicare Supplement and other major medical policies (“HFI Product(s); and

WHEREAS, HFHP is licensed to operate as a Health Maintenance Organization in the State of Florida; and

WHEREAS, Agent affirms that Agent is licensed in good standing with the State of Florida as a health insurance agent; and

WHEREAS, HEALTH FIRST desires that Agent market its healthcare products on the terms and conditions provided for in this Agreement; and

WHEREAS, Agent desires to market HEALTH FIRST products to eligible beneficiaries (“Customers”).

NOW, THEREFORE, in consideration of the mutual promises and covenants stated in this Agreement, and for other good and valuable consideration, the Parties hereto agree as follows:

**ARTICLE 1. AGENT OBLIGATIONS**

1.1 Solicitation of Applications. Agent is authorized to solicit applications from Customers for membership into a HEALTH FIRST Product. Agent is only authorized to solicit and secure memberships in HEALTH FIRST’s Products at the membership rate and such other underwriting criteria currently in effect at the time of the last notification received by Agent from HEALTH FIRST.

1.2 Duties of Agent. Agent shall:

a. Agent represents and warrants as a material term of this Agreement that Agent has, and will maintain during the term of this Agreement, an unrestricted license as a health insurance agent in the State of Florida. Agent shall maintain all permits, licenses, and registrations that are required to perform the services in this Agreement. Producer shall provide HEALTH FIRST with copies of all required licenses upon the request of HEALTH FIRST and shall notify HEALTH FIRST within 30 days if his/her insurance license is suspended, revoked or relinquished.

b. Before promoting or marketing the Medicare products and on an annual basis thereafter, Agent must complete a Center for Medicare & Medicaid Services (CMS) sanction-applied Medicare Advantage training program and obtain a certification required by HEALTH FIRST. It being specifically acknowledged and agreed by Agent that no compensation shall be paid for the sale of Medicare products under this Agreement unless such training has been completed and such certification is received prior to the policy being written.

- 1.3 No Prior Disciplinary or Criminal Proceedings. Agent represents and warrants that he/she has never suffered the loss, suspension, or termination of any license issued by any governmental authority in connection with the sale of any type of insurance, prepaid healthcare, hospital, or professional benefits agreement, and that he/she has never been convicted of a felony or a crime involving moral turpitude.
- 1.4 HEALTH FIRST Policies and Procedures. Agent shall adhere to all of HEALTH FIRST's policies and procedures, as may be amended from time to time.
- 1.5 Representations to Customer. Agent agrees that he/she will make no representation with respect to the nature or scope of the benefits of HEALTH FIRST Products, except through and by means of the written material prepared and furnished to Agent by HEALTH FIRST. Agent shall not have authority to make any oral or written alteration, modification, or waiver of any of the terms or conditions applicable to HEALTH FIRST Products and shall in no way misrepresent HEALTH FIRST or its products or services. Agent shall under no circumstances pay or allow, or offer to pay or allow, any rebate of compensation/premium payments in any manner whatsoever, directly or indirectly, except to the extent allowed by Florida law.
- 1.6 Nondiscrimination. Agent shall not discriminate in marketing to Customers because of race, color, national origin, ancestry, sex, religion, marital status, sexual orientation, or age.
- 1.7 Records. Agent shall maintain such books, records, and information of all transactions pertaining to offers made by Agent to Customers and any other records as are required by HEALTH FIRST and/or applicable Florida or Federal law but for a period of no less than ten (10) years. Agent's obligation pursuant to this Section 1.7 shall survive termination of this Agreement.
- 1.8 Access to Records. Agent shall make all books, records, papers, and information of Agent relating to this Agreement available to HEALTH FIRST, and the Florida Department of Insurance or other governmental authorities with jurisdiction over HEALTH FIRST or Agent at all reasonable times upon demand for inspection, examination, and copying at Agent's principal place of business or other mutually agreeable locations in Florida. HEALTH FIRST agrees to reimburse Agent for reasonable expenses incurred for copying documents to comply with this provision. This obligation shall survive termination of this Agreement for a period of no less than ten (10) years for Medicare products or seven (7) years for other major medical products.
- 1.9 Privacy. Agent is required to protect the privacy and confidentiality of personal and financial information regarding HEALTH FIRST's applicants, current and former customers. Agent will not disclose personal or financial information to anyone other than HEALTH FIRST. Agent will not work on, view, or attempt to obtain Customer information that is not part of the Agent's business with the Customer. Agent agrees to comply with all Federal and State Laws regarding the privacy and confidentiality of information regarding applicants, current and former customers including but not limited to the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Gramm-Leach-Bliley Act (1999) and any other applicable privacy laws.
- 1.10 Promotional Materials. Agent shall display promotional materials provided by HEALTH FIRST within Agent's office. Agent agrees not to employ or make use of any advertisement in which the name of HEALTH FIRST is used without the prior written consent and approval of HEALTH FIRST. All printed matter, applications, and sales literature which HEALTH

FIRST may furnish to the Agent shall remain the property of HEALTH FIRST subject at all times to its control and shall be returned to HEALTH FIRST upon demand.

- 1.11 Change of Business Address. Agent shall notify HEALTH FIRST in writing of any change of business address at least thirty (30) days prior to the effective date of such change.
- 1.12 Use of HEALTH FIRST's Trade Secrets by Agent. Agent agrees that he/she shall not use, or divulge to anyone, HEALTH FIRST's trade secrets. A trade secret means information, including but not limited to, programs, methods, techniques and processes that have independent economic value from not being generally known to either the public or the other persons who can obtain economic value for its disclosure or use. Examples of HEALTH FIRST's trade secrets include, but are not limited to, HEALTH FIRST customer lists not obtained from Agent, compiled information concerning its Customers not obtained from Agent, this Agreement, premium rates, and operations manuals. This Section shall not be applicable to information that is already in the public domain or that has been made available to the public by HEALTH FIRST or has been made available to HEALTH FIRST by Agent. Agent's obligations pursuant to this Section 1.12 shall survive termination of this Agreement.
- 1.13 Contracts. Agent is not authorized to make, alter or discharge contracts for HEALTH FIRST, or waive forfeitures, modify rates, or bind HEALTH FIRST in any way, and is not under any circumstances authorized to renew any premium or to make any endorsements on policies of HEALTH FIRST.
- 1.14 Collection of Premiums. Agent shall not have authority, without written permission of HEALTH FIRST, to (i) collect or provide receipt for premiums other than the first month's premiums; (ii) deduct commissions or permissible fees; (iii) endorse checks payable to HEALTH FIRST; (iv) or perform any other act or duty not specifically authorized in this Agreement. Any and all funds received by Agent for the account of HEALTH FIRST shall at all times be segregated from the assets of the Agent and shall, within one (1) business day of receipt by Agent, be promptly deposited into a trust account designated by HEALTH FIRST.
- 1.15 Commission Payment Review. Upon receipt, Agent shall review all monthly commission statements for accuracy, omissions or over payments and report any discrepancies within ninety (90) days of the date of the statement to HEALTH FIRST. In the event the Agent fails to report any discrepancy within said ninety (90) day period, the reviewed monthly commission statement shall be deemed accurate.

## **ARTICLE 2. HEALTH FIRST OBLIGATIONS**

- 2.1 Indemnity License. HEALTH FIRST shall maintain its Florida insurance license during the term of this Agreement and any other licenses or certifications required by law to offer HEALTH FIRST Products.
- 2.2 Action Against HEALTH FIRST. HEALTH FIRST shall notify Agent of any legal or governmental actions initiated against HEALTH FIRST for (i) alleged professional negligence by HEALTH FIRST involving business written by Agent, (ii) licensing actions, (iii) and/or any other actions that will materially impair the ability of HEALTH FIRST to carry out its duties and obligations as set forth in this Agreement.
- 2.3 Discontinued or Altered Programs. HEALTH FIRST reserves the right to reject any and all Customer applications submitted by the Agent for such programs, and to discontinue allowing said Agent from writing HEALTH FIRST offered products without prior notice.

### ARTICLE 3. INDEMNIFICATION

- 3.1 Indemnification by HEALTH FIRST. HEALTH FIRST shall defend, indemnify and hold harmless Agent, its officers, employees and agents against any claim, legal action for injunctive relief or damages, and administrative proceeding, by a third party of any type where such claim, legal action or administrative proceeding arises solely from the negligent acts or omissions of HEALTH FIRST, its directors, officers, employees or agents under the terms and conditions of this Agreement. Such defense of Agent by HEALTH FIRST shall be solely at HEALTH FIRST's expense, by counsel reasonably acceptable to Agent. Agent shall have the right, solely within its discretion, to take control of its own defense at any time at its own expense.
- 3.2 Indemnification by Agent. Agent shall defend and hold harmless HEALTH FIRST, its trustees, board members, officers, employees and agents against any claim, legal action for injunctive relief or damages, and administrative proceeding, by a third party of any type where such claim, legal action or administrative proceeding arises from the acts or omissions of Agent, its directors, officers, employees or agents under the terms and conditions of this Agreement. Such defense of HEALTH FIRST by Agent shall be solely at Agent's expense, by counsel reasonably acceptable to HEALTH FIRST. HEALTH FIRST shall have the right, solely within its discretion to take control of its own defense at any time at its own expense.
- 3.3 Sharing of Information. Each party agrees to provide to the other party information in its possession which is essential to the other party's defense in litigation and which is not reasonably available from another source. Each party agrees to furnish to the other party information necessary to comply with its obligations under this Agreement and federal and state law.

### ARTICLE 4. COMPENSATION

- 4.1 Compensation. HEALTH FIRST shall compensate Agent in accordance with the Compensation Schedule Exhibits that are attached, so long as (1) Agent continues to be actively engaged as a licensed health insurance agent in the State of Florida; (2) Agent is and continues to be designated by the Customers named in the Policy(ies) in writing as the Broker or Agent of record with respect to such Customer; (3) this Agreement between Agent and HEALTH FIRST is in full force and effect; (4) the Customer(s) continues to be enrolled with HEALTH FIRST; and (5) Agent services Customer in a manner satisfactory to Customer and HEALTH FIRST in accordance with this Agreement. Agent will be compensated by HEALTH FIRST only after the Customer application has been approved and processed in accordance with HEALTH FIRST current underwriting practices and the Customer applicant has been accepted and paid the premiums or subscription charges. Any adjustments to the Customer's paid premium will also be adjusted on the Agent's Commissions paid.
- 4.2 Compensation Schedule. HEALTH FIRST shall have the right to unilaterally modify the Compensation Schedule, provided that HEALTH FIRST provides Agent with written notice of such modification thirty (30) days before the effective date of such modification.
- 4.3 Incorrect Commission Payment. HEALTH FIRST shall make every attempt to pay commissions timely and accurately as outlined in the current Compensation Schedule for all groups to which the agent is actively appointed. In the event commissions are paid incorrectly (overpaid, underpaid or omitted payment for an assigned employer group), the Agent has an obligation to notify HEALTH FIRST as timely as possible. HEALTH FIRST shall not be

- required to adjust commissions retroactively beyond 90 days from the date of original payment.
- 4.4 Assignment of Compensation. HEALTH FIRST shall not be bound by any assignment of the compensation payable under this Agreement until the original assignment or a certified copy thereof shall be delivered to HEALTH FIRST's corporate office. HEALTH FIRST does not assume responsibility for, or guarantee the validity of, any assignment.
- 4.5 Other Expenses. Agent shall be solely responsible for all expenses Agent incurs in the performance of this Agreement.
- 4.6 Customer Non-liability. Agent shall look solely to HEALTH FIRST for compensation due Agent from HEALTH FIRST under this Agreement. Agent shall not collect nor attempt to collect any compensation due Agent under this Agreement from the Customer.

#### **ARTICLE 5. INSURANCE**

- 5.1 Agent Liability Insurance. Agent, at his/her sole cost and expense, shall procure and maintain such policies of general liability, professional liability, and other insurance as shall be necessary to insure Agent and its employees, contractors, agents, shareholders, directors and officers against any claim or claims for damages arising by reason of Agent's performance of or failure to perform any actions hereunder or the use of any property required and provided by Agent hereunder. Agent shall, upon execution of this Agreement and at such times thereafter as HEALTH FIRST may request, furnish certificates of insurance to HEALTH FIRST, evidencing the existence of coverage required by this Article 5. Agent shall provide HEALTH FIRST with not less than ten (10) days advance written notice of any cancellation, reduction, or other material change in the amount or scope of any coverage(s) required hereunder.

#### **ARTICLE 6. TERM AND TERMINATION**

- 6.1 Term of Agreement. The initial term of this Agreement shall be for a period of one (1) year from the Effective Date of this Agreement and shall continue thereafter for successive one year periods unless otherwise terminated in accordance with the provisions of this Article 6. Either party may terminate this Agreement without cause upon thirty (30) days prior written notice of termination to the other party.
- 6.2 Termination for Cause. Notwithstanding the provisions set forth above, this Agreement may be terminated:
- a) Automatically if Agent's license as a health insurance agent is suspended or revoked;
  - b) By either party, upon seven (7) days prior written notice to the other party, in the event that the other party materially breaches any representation, warranty, term, or provision contained in this Agreement;
  - c) Automatically if Agent is unable to obtain or loses insurance coverage as provided in Article 5;

- (d) Automatically upon issuance of an order by the Florida Office of Insurance Regulation (OIR) stating that the fees paid under this Agreement are unreasonably high compared with similar contracts entered into by other Florida licensed health insurers;
- (e) Automatically, if required by the Office of Insurance Regulation (OIR) or appointment is not accepted by the OIR; or
- (f) Automatically if Agent is arrested, convicted of or charged with a felony.

6.3 Survival Rights. In event of termination as provided in this Section, the commissions heretofore secured by Agent shall be continued to be paid to the Agent up to the date of termination.

## **ARTICLE 7. GENERAL PROVISIONS**

- 7.1 Amendments. Except as provided in Section 4.2 or subject to any applicable Federal or state law, any amendments to this Agreement shall be effective upon communication to the Producer and in accordance with this agreement.
- 7.2 Applicable Law/Venue. This Agreement and the rights and obligations of the parties hereunder shall be construed, interpreted and enforced in accordance with, and governed by, the laws of the State of Florida. Venue for its enforcement or any action or proceeding based on this Agreement shall only be in Brevard County, Florida.
- 7.3 Assignment. Except as provided for herein, this Agreement and the rights, interest and benefits hereunder shall not be assigned, delegated, or transferred in any way, and shall not be subject to execution, attachment or similar process without the prior written consent of both parties. The duties imposed on Agent shall not be subcontracted or delegated without the prior written consent of HEALTH FIRST. HEALTH FIRST shall have the right to assign this Agreement to a subsidiary or affiliate which owns, is owned by, or is under common ownership with, HEALTH FIRST, or to an entity into which HEALTH FIRST is merged or with which HEALTH FIRST is consolidated, or to a purchaser of all or substantially all of the assets of HEALTH FIRST or as part of a corporate reorganization.
- 7.4 Independent Parties. None of the provisions of this Agreement are intended to create or shall be deemed or construed to create any relationship between the parties hereto other than that of independent contractors.
- 7.5 No Third Party Beneficiary. This Agreement is intended for the sole and exclusive benefit of the HEALTH FIRST and Agent, and does not confer any benefit upon any person or entity. Except for HEALTH FIRST and Agent and their permitted assigns, no person or entity shall have any right to rely on this Agreement for any purpose.
- 7.6 Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if personally delivered, e-mailed to the agent e-mail address provided by the Producer, or, if mailed, upon being placed in the United States mail, certified, postage prepaid, addressed as follows:

If to HEALTH FIRST:  
 6450 US Highway 1  
 Rockledge, Florida 32955  
 Attention: VP/Sales & Service

If to Agent:  
 The address listed on the signature page  
 hereto

with a copy to  
Health First, Inc.  
6450 US Highway 1  
Rockledge, Florida 32955  
Attention: Corporate Counsel

- 7.7 Severability. The invalidity or unenforceability of any terms or provisions hereof will in no way affect the validity or enforceability of any other term or provision.
- 7.8 Waiver. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as to be construed to be a waiver of any subsequent breach thereof, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.
- 7.9 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior, contemporaneous and other understandings and agreements between the parties. No oral statement or prior or contemporaneous written material not specifically mentioned herein shall be of any force or effect and no change in or addition to this Agreement shall be recognized unless evidenced by a writing executed by HEALTH FIRST and Agent, such amendment(s) to become effective on the date stipulated therein.

AGENT:

Agent Name
Title
Home Address
Home Phone (      )
Cell Phone (      )
Date of Birth
FL Insurance License No. <i>(Attach copy of applicable Insurance License)</i>
Marketplace NPN#
FFM ID <i>(The FFM ID is the login that was created with CMS to become certified to sell products on the Federal Marketplace.)</i>

Agency Name
Agency Address
Agency Phone (      )
Agency Fax (      )
Email address
SS#
Federal Tax ID
Commissions paid to (check one)  <input type="checkbox"/> Agent <input type="checkbox"/> Agency <input type="checkbox"/> Other (please explain)

AGENT:

by: \_\_\_\_\_  
Signature

Effective Date: \_\_\_\_\_

HEALTH FIRST:

by: \_\_\_\_\_  
Signature Title



**Exhibit A**  
**HEALTH FIRST INSURANCE, INC.**  
**COMMISSION SCHEDULE**  
**MEDICARE SUPPLEMENT PRODUCTS**

Health First Insurance, Inc. will compensate Agent as follows for each individual properly enrolled in a Medicare Supplement insurance plan which Agent is approved and authorized to market and promote.

The following compensation schedule has been filed for approval with the applicable state regulatory agencies and is subject to state approval. HEALTH FIRST may modify or terminate this compensation schedule, provided that HEALTH FIRST provides Agent with written notice of such decision thirty (30) days before the effective date of such modification.

It being specifically acknowledged and agreed by Agent that no compensation shall be paid under this Agreement unless agent completes the Center for Medicare & Medicaid Services (CMS) sanction-applied Medicare Advantage training program and obtain the required certification. Training must be completed and certification received prior to the policy being written.

<b>Commission Rates</b>		
<b>Initial &amp; Renewal</b>		
<b>Policy Issue Age</b>		
	<b>Ages 65-80</b>	<b>Ages 81+</b>
<b>Years 1-6</b>	<b>15%</b>	<b>7%</b>

**Exhibit B**

**HEALTH FIRST INSURANCE, INC.  
COMMISSION SCHEDULE  
INDIVIDUAL PRODUCTS**

HFI or HFHP, as the case may be, will compensate Agent as follows for each individual properly enrolled in an Individual major medical insurance plan which Agent is approved and authorized to market and promote.

Payout procedures beginning August 2014:

For members effective prior to 1/1/2014, beginning with the August 2014 commission cycle, commissions will be payable on policies that have been medically underwritten and will not be paid on guaranteed issue members. First year and renewal commissions for these policies will be calculated on paid premiums, including medical risk adjustments.

The following commission schedules have been filed for approval with the applicable state regulatory agencies and are subject to State approval. HEALTH FIRST may modify or terminate these commission schedules, provided that HEALTH FIRST provides Agent with written notice of such decision thirty (30) days before the effective date of such modification.

Commission Schedule Individual Products Effective Dates Prior to 1/1/2014		
	First Year	Renewal Years
Individual Commission Rate	14%	4%

Commission Schedule Individual Products Effective Dates of 1/1/2014 and Later		
	First Year	Renewal Years
Individual Commission Rate	9%	4%

**Exhibit C**

**COMMERCIAL GROUP PRODUCTS**

Commission will be paid according to the following schedule:

1-3 enrolled subscribers: 1% of monthly premium

4-50 enrolled subscribers: 6% of monthly premium

51-99 enrolled subscribers: 5% of monthly premium

100-150 subscribers: 4% of monthly premium

151-250 subscribers: 3% of monthly premium

251+ subscribers: negotiated