

STANDARD SECURITY

IAC – PHP

HIRE PACKET

**MAKE SURE YOU ATTACH A COPY
OF YOUR INSURANCE LICENSE**

**IF YOU WANT TO BE PAID TO A
CORPORATION YOU MUST COMPLETE THE
W-9 FORM WITH YOUR CORPORATE EIN#**

PROCESSING FEE: \$0

PLEASE COMPLETE AND MAIL TO:

INSURANCE MARKETING CONCEPTS, INC.

4782 W. COMMERCIAL BLVD.

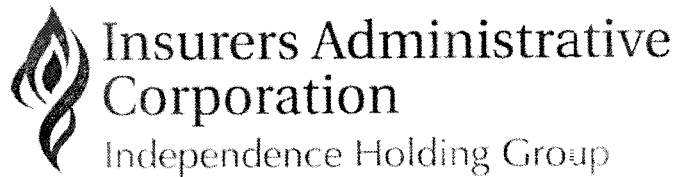
TAMARAC, FL 33319

866-290-3505

954-739-4133

954-739-4177 FAX

insmarketing@hotmail.com



IAC PRODUCER AGREEMENT

Producer's Name: _____

Date _____

- 1) **Definitions.** The following terms have the following meanings in this Producer Agreement:
 - a) Payor means an insurance company issuing an insurance policy or certificate of coverage under which health insurance benefits are providing that has engaged IAC to provide administrative services related to such policy or certificate.
- 2) **Solicitation.** Subject to the authority granted to Insurers Administrative Corporation ("IAC") by each Payor, IAC hereby authorizes the Producer to solicit and procure applications for the insurance programs identified in each Addendum attached hereto, on a non-territorial non-exclusive basis, subject to the terms and conditions of this Agreement.
- 3) **Relationship of the Parties.** IAC and Producer each agree that:
 - a) This agreement does not create a relationship of employer/employee, principal/agent, master/servant or other similar relationship between IAC and the Producer.
 - b) Producer acknowledges that he/she is not and shall not be considered an agent or representative of IAC and that he/she will not expressly or impliedly represent himself/herself as such.
 - c) Except where state law requires otherwise, agent is an independent insurance agent represented agent's clients.
 - d) Although IAC may provide to Producer information, application or marketing materials ("Supplies") related to insurance programs, neither this information nor any terms contained in this Producer's Agreement provides IAC with any right or ability to control the Producer's activities and/or communications with any proposed insured or Insured Individual.
- 4) **Producer's Responsibilities.** Producer understands and agrees to:
 - a) Solicit applications for insurance policies and certificates of coverage issued by Payors; assist applicants in completely, honestly and accurately completing applications for insurance coverage; and submit such applications to IAC promptly upon receipt of such applications from applicants.
 - b) Remit all gross premiums and/or policy fees received or collected by Producer at once to IAC with a full and detailed statement.
 - c) Refrain from accepting any premium from any insured with the exception of the initial premium collected with the application for coverage.
 - d) Observe and comply with the insurance laws and regulations of the state or states in which Producer operates.
 - e) Hold all Supplies furnished by IAC as property of IAC provided for Producer's use while this Agreement remains in effect and return same upon demand.
 - f) Provide prompt, courteous service to certificate holders.
 - g) Perform all of Producer's responsibilities hereunder in accordance with the rules and guidelines established by IAC and each Payor related to (a) the performance of such responsibilities; and (a) the solicitation and procurement of applications for insurance policies and certificates of coverage.
- 5) **Restrictions on Producer's Authority.** Producer agrees that Producer has no authority and will not:
 - a) Bind IAC or any Payor by any promise or agreement, or incur any debt, expense, or liability whatever in its name or account, or waive any of the provisions of policies administered by IAC.
 - b) Waive, alter, or modify any question on any application; permit any applicant to inaccurately answer any question on any application; instruct any applicant not to disclose any particular medical condition on the application; or notify an applicant that Producer has the authority to alter the terms of an insurance policy or certificate of coverage.
 - c) Pay or allow or offer to pay or allow, as an inducement to any proposed insured, any rebate of premium or consideration or any inducement not specified in the policy or allowed by law.
- 6) **Representations and Warranties.** Producer represents and warrants as follows:
 - a) Producer is currently properly and appropriately licensed to solicit and procure applications for insurance policies and certificates of coverage in the jurisdiction in which Producer will perform such functions and will maintain such license during the term of this Agreement.
 - b) Producer will comply with all statutes, regulations and administrative bulletins related to Producer's performance of Producer's responsibilities hereunder.
- 7) **Compensation.** IAC and Producer each agree that:
 - a) IAC will pay compensation to Producer on behalf of Payors in accordance with each Addendum attached hereto.
 - b) Compensation will be paid only as earned and no advance compensation will be paid.
 - c) Commissions are vested and payable for the first year (except for termination of Agreement for cause), subject to the provisions of this Agreement and the attached addendum(s) as long as the Producer complies with all the terms and conditions of this Agreement.

- d) The schedule of renewal commissions and service fees set forth in each addendum, begins with the second policy year and is applicable thereafter as long as this Agreement is in full force and effect and the Producer is recognized as the Agent of Record by the Insured.
 - e) Producer must be appropriately licensed in the state in which coverage is issued and must remain appropriately licensed in order to receive compensation related to the solicitation, procurement or sale of insurance policies or certificates of coverage.
 - f) If IAC for any reason refunds any premium or part of a premium on any policy, any commissions paid Producer on the amount refunded shall be repaid to IAC.
 - g) IAC may offset against any compensation due Producer hereunder, any amounts now due or which may become due at any time from Producer, and these amounts shall be a first lien against the compensation due Producer under this Agreement.
 - h) Producer may not assign the compensation accruing under this Agreement or any interest therein except with the prior written consent of IAC, and any assignment by Producer shall always be subject to the lien provided for in the preceding paragraph, whether for debts or liabilities existing at the time of assignment or thereafter arising.
 - i) In the event that this Agreement is terminated pursuant to Sections 7(c)(ii) or (iii), all of Producer's rights under this Agreement, including Producer's rights to any commissions to which Producer might otherwise become entitled shall terminate upon the termination of this Agreement.
- 8) **Effective Date, Term and Termination.** IAC and Producer each agree that:
- a) This Agreement, together with any Addenda hereto, shall become effective as of the date executed by IAC below.
 - b) This Agreement, together with any Addenda hereto, shall continue until terminated by either party pursuant to this section.
 - c) This Agreement, together with any Addenda hereto, shall terminate:
 - i) Thirty days following written notice by either party mailed to the last known address of such other party.
 - ii) Immediately upon notice from IAC to Producer for any act of dishonesty or fraud as determined at IAC's sole discretion...
 - iii) Automatically without any notice upon Producer's death or upon revocation, termination or non-renewal of Producer's license.
- 9) **Reservation of Rights.** IAC and Producer each agree that IAC or any Payor reserves the right:
- a) To discontinue or withdraw any plan of insurance and to set the commission percentage rates on plans which are now, or may hereafter, be offered by and Payor and administered by IAC.
 - b) To change commission percentage rates by providing a dated amendment to this Agreement.
- 10) **Agent Appointment.** Producer is responsible for costs associated with his/her agent appointment with each Payor. IAC will advance on behalf of Producer such fees to each Payor. Producer authorizes IAC to recover appointment fees from Producer's first payable compensation. Producer agrees to reimburse IAC for any appointment fees advanced by IAC, within six months of appointment, in the event there is no payable compensation. Producer authorizes IAC to pay any future appointment renewal fees out of the Producer's payable compensation, as described in Section 8. If the Producer has no payable compensation at the time of appointment renewal, Producer agrees to remit reimbursement to IAC within 30 days of payment by IAC.
- 11) **Liability.** Producer shall indemnify IAC for, and hold IAC harmless against, any and all claims, actions, liabilities, losses, damages of any nature, whether compensatory or punitive, judgments, awards, or settlements, charges and expenses, including court costs and attorney's fees, that IAC may at any time sustain or incur by reason of any unlawful or negligent act or omission of Producer, and any misrepresentation by Producer, or any breach by Producer of the terms of this Agreement.
- 12) **Confidentiality.** Producer agrees to protect the confidentiality of protected health information in accordance with Exhibit A which is attached hereto and incorporated herein.
- 13) **Miscellaneous.** Producer understands and agrees that:
- a) This Agreement and any addendums, if applicable, are considered the entire agreement among the parties hereto and will supersede any and all previous contracts and agreements between Producer and IAC.
 - b) Failure of IAC to insist upon strict compliance with any of the conditions of this Agreement shall not be construed as a waiver of such conditions, but they shall continue to be in full force and effect.
 - c) No oral promises or representations shall be binding nor shall this Agreement be modified except by agreement in writing, executed on behalf of IAC.

(X)

 Producers Signature

 IAC Signature

 Printed Name

 Printed Name

 Title

 Date

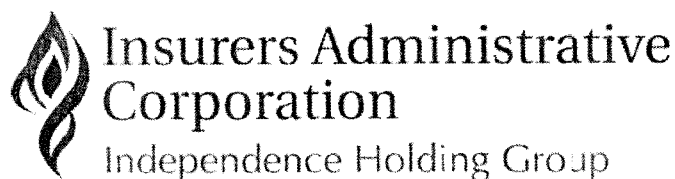
 Date

EXHIBIT A - Confidentiality Agreement

- 1) **Purpose.** The Purpose of this Exhibit is to demonstrate both parties' commitment to full compliance with all applicable privacy rules and regulations governing the use and disclosure of individually identifiable personal health and financial information by establishing contractual standards for such use and disclosure.
- 2) **Definitions.** Terms used this Exhibit are defined as follows:
 - a) *Administrative Safeguards* means administrative actions, policies and procedures to manage the selection, development, implementation, and maintenance of security measures to protect electronic Protected Health Information and to manage the conduct of the covered entity's workforce in relation to the protection of Protected Health Information.
 - b) *Disclose or Disclosure* means the release, transfer, provision of access to, or divulging in any other manner of information outside the entity holding the information.
 - c) *Individual* means the person who is the subject of protected health information and shall include persons who qualify as a personal representative.
 - d) *Individually Identifiable Health Information* is health information, including demographic information collected from an individual, that:
 - i) Is created or received by a health care provider, health plan, employer, or health care clearinghouse;
 - ii) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and
 - iii) Either identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
 - e) *Personally Identifiable Financial Information* means any information regarding a specific consumer that is obtained in connection with the services being provided hereunder.
 - f) *Physical Safeguards* means physical measures, policies, and procedures to protect a covered entity's electronic information systems and related buildings and equipment from natural and environmental hazards and unauthorized intrusion.
 - g) *Privacy Rule* means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
 - h) *Protected Personal Information ("PPI")* means Personally Identifiable Financial Information and Individually Identifiable Health Information that is maintained in any form, including electronic media and/or transmitted in any form, including by electronic media.
 - i) *Required by Law* has the same meaning as the term "required by law" in 45 CFR §164.501.
 - j) *Security Rule* means the Security Standards at 45 CFR Part 160, Part 162 and Part 164.
 - k) *Security Incident* means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
 - l) *Technical Safeguards* means the technology and the policy and procedures for its use that protects electronic Protected Health Information and controls access to it.
 - m) *Use* means, with respect to Individually Identifiable Health Information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.
- 3) **Producer's Privacy Obligations.** At all times Producer agrees to:
 - a) Refrain from using or disclosing PPI for any purpose other than for the purpose of the business discussions as described in the Agreement, including this Exhibit, as specifically required in order to perform the services for which Producer has been engaged or as permitted by law;
 - b) Implement and utilize appropriate safeguards to prevent the Use or Disclosure of PPI other than as provided for by this Agreement;
 - c) Mitigate, to the extent practicable, any harmful effect that is known to Producer as a result of a Use or Disclosure of PPI by Producer in violation of the requirements of this Agreement;
 - d) Report to IAC any Use or Disclosure of PPI not provided for by this Agreement of which Producer becomes aware;
 - e) Make Producer's internal practices, books, and records, including policies and procedures, relating to the Use and Disclosure of PPI available to IAC or to the Secretary of the Department of Health and Human Services for purposes of determining IAC's compliance with the Privacy Rules;
 - f) Document Disclosures of PPI and information related to such Disclosures as would be required in order to permit IAC to respond to a request by an Individual for an accounting of such Disclosures of PPI in accordance with the Privacy Rule;
 - g) Implement and utilize safeguards to Use or Disclose only the minimum necessary information in the performance of Producer's obligations under this Agreement; and
 - h) Refrain from Using or Disclosing PPI for any marketing purposes not authorized by this Agreement.
- 4) **Producer's Security Obligations.** At all times Producer agrees to:
 - a) Implement Administrative Safeguards, Physical Safeguards, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of IAC;
 - b) Enter into a contractual agreement with any subcontractor to whom it provides such information that requires such subcontractor to implement reasonable and appropriate Administrative Safeguards, Physical Safeguards, and Technical Safeguards to protect electronic Protected Health Information that the subcontractor creates, receives, maintains, or transmits on behalf of IAC as part of Producer's performance of the delegate administrative services; and
 - c) Report to IAC any Security Incident of which Producer becomes aware.
- 5) **IAC's Obligations.** At all times IAC agrees to:
 - a) Notify Producer of any limitation(s) in IAC's Notices of Privacy Practices, to the extent that such limitation may affect Producer's Use or Disclosure of PPI;
 - b) Notify Producer of any changes in, or revocation of, permission by an Insured to Use or Disclose PPI, to the extent that such changes may affect Producer's Use or Disclosure of PPI;
 - c) Notify Producer of any restriction to the Use or Disclosure of PPI to which a Payor has agreed, to the extent that such restriction may affect

Producer's Use or Disclosure of PPI;

- d) Refrain from requesting that Producer Use or Disclose PPI in any manner that is not legally permissible if done by IAC or a Payor except to the extent necessary for any data aggregation services or Producer's management and administrative activities.
- 6) Term and Termination.
- a) The Term of this Exhibit shall be effective as of effective date of the Agreement and shall terminate as of the termination of the Agreement.
 - b) Upon IAC's knowledge of a material breach of this Exhibit by Producer, IAC shall, at its discretion, either:
 - i) Provide an opportunity for Producer to cure the breach or end the violation or terminate the Agreement in accordance with Section 17.6 of the Agreement; or
 - ii) If cure is not possible, immediately terminate the Agreement.
 - c) If neither termination nor cure is feasible, IAC may report the violation to the affected Payor who may report the violation to the Secretary of the Department of Health and Human Services at its discretion.
- 7) Obligations upon Termination of this Agreement
- a) Upon the termination of the Agreement, Producer shall return to IAC all PPI that Producer has in its possession and retain no copies of such PPI, except for that PPI necessary for Producer's management and administrative activities. This provision shall apply to PPI that is in the possession of contractors, consultants and vendors of Producer.
 - b) If Producer is unable to return the PPI provided to Producer by IAC or created by Producer on IAC's behalf, Producer shall:
 - i) Provide to IAC notification of the conditions that make return or destruction infeasible; and
 - ii) Permanently destroy by shredding or otherwise destroying all paper or other hard copy media on which it is recorded, and/or erasing it from any hard drive, tape, diskette, compact disk or other electronic medium on which it has been stored using a method which renders the information unrecoverable.
 - c) If the return or destruction of the PPI is not feasible, Producer shall extend the protections of this Agreement to, and comply with its obligations herein regarding, the PPI and not make any further Use or Disclosure of the PPI.
- 8) Amendment. The Parties agree to take such action as is necessary to amend this Exhibit from time to time as is necessary for IAC to comply with the requirements of the Privacy Rule, the Security Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- 9) Regulatory References. A reference in this Exhibit to the Privacy Rule or Security Rule means the Section of the Privacy Rule or Security Rule then in effect or as amended.
- 10) Interpretation. Any ambiguity in this Agreement shall be resolved to permit IAC to comply with the Privacy Rule, the Security Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.



**WRITING AGENT ADDENDUM TO PRODUCER AGREEMENT FOR
IAC'S INDIVIDUAL PLANS**

This Addendum to the Producer Agreement identifies (1) the product that the Producer is authorized to solicit and procure applications; and (2) the commission schedule applicable to such product. IAC and Producer each agrees that this Addendum is subject to all of the terms and conditions of the Producer Agreement and shall be made part of and attached thereto.

Payor: Standard Security Life / Fidelity Security Life

Schedule of Commissions Addendum:

Personal Health Plans Medical & Life 1st year	Personal Health Plans¹ Medical & Life Renewals	Vision Plans² Vision 1st year and renewals
0%	0%	0%

RX Pay Card	Secure Dental One³ Dental 1st year	Secure Dental One³ Dental Renewals
0%	0%	0%

For the purpose of determining all first-year commissions and future years' Service Fees, all administration fees, premium rate increases due to load(s), area rate increases, and conversions will not be included. Commissions will be paid based upon the lower of the first modal premium or the current premium.

¹ Re-written business (case previously issued that is now being re-written subject to underwriting approval) will be subject to the renewal commission level. For all other situations, the standard first-year commission and service fees will apply.

² First-year and renewal commission percentage rates for Vision are based upon the full amount of the applicable Vision Premium for the case.

³ First-year and renewal commission rates for Dental are based upon the full amount of the applicable Dental Premium for the case. Commissions are not paid on enrollment or administrative fees, if applicable.

Commission percentages shown in the schedule above reflect total commissions; compensation shall be reduced by any commission(s)/service fee(s) paid to agents by the recruiting agent.

To be attached to and made part of your Producer's Agreement with Insurers Administrative Corporation

To Be Completed By Producer:

Name: _____

IAC Agent # (if assigned): _____

I direct my compensation to be made payable as follows:

Agent or Agency: A. STANNARAINNE / THE AFCC GROUP

SSN or TIN#: _____

Address: 11 S. GUILFORD

City: CARMEL

State: IN

Zip Code: 46032

Signature of Producer _____

Date: _____

Signature of General Agent: _____

To Be Completed By IAC Agent Contracting:

Executed By: _____

Date: _____

Insurers Administrative Corporation

Effective Date of This Addendum: _____

