

AGENT OR AGENCY AGREEMENT

This Agreement ("Agreement") dated _____ 20__, ("Effective date") between _____ ("Agent" or "Agency") and Worldwide Insurance Services, LLC (Worldwide Services Insurance Agency, LLC in California and New York) ("Company"), sets forth the terms and conditions under which "Agent" and "Agency" shall perform certain services for the Company. The designations "Agent" and "Agency" shall be interchangeable based upon the contracting party designated by signature below. Agent and Company may also be referred to individually as a "party" and together as the "parties."

1 APPOINTMENT

1.1 The Company hereby appoints Agent (and any of its Producers/Sub-brokers if Agent is an Agency) to solicit, at its own expense, new and renewal applications for insurance contracts ("Policy" or "Policies") as listed in **Schedule A**, as amended from time to time.

2 DUTIES OF AGENT

2.1 If Agent is Agency, then it shall be responsible for assuring that all of its Producers comply with the following duties as well as the Agent.

2.2 Agent will comply with all laws and regulations which relate to this Agreement and shall indemnify and hold the Company harmless for its failure to do so. Agent shall maintain in good standing, at its own cost, licenses required by all applicable statutes and regulations. Agent shall provide copy(ies) of its current license(s) to the Company. Upon Agent's loss or failure to procure and maintain such licenses as may be required by law, this Agreement shall terminate automatically in accordance with paragraph 7.3. Agent shall comply with all appointment requirements of the underwriters of any of the products set forth on **Schedule A**. If Agent is a business entity, Agent shall ensure all of its employees who sell Company's products are properly licensed and appointed, including appointments to Company's underwriters, a State Department of Insurance, a supervising agent, or any other person or entity as required by applicable law or statute.

2.3 Agent may not waive any provision of the Company's underwriting standards or the insurers' underwriting standards without the Company's express prior written authorization. Any questions about the Company's underwriting standards shall be referred to the Company.

2.4 Agent will comply with the Company's rules and regulations relating to the preparation of proposals and the completion and submission of applications. As a material part of the consideration for the making of this Agreement by the Company, Agent agrees that there will be made no representations whatsoever with respect to the nature or scope of the benefits of the Policies sold except through and by means of the written material either prepared and furnished to Agent for that purpose by the Company or approved in writing by the Company prior to its use. Agent shall have no authority and will not make any oral or written alteration, modification, or waiver of any of the terms or conditions of any Policy whatsoever.

2.5 Agent warrants that Agent will diligently and to the best of its ability ensure that the facts set forth by any applicant in any application it solicits are true and correct.

2.6 Agent will conduct itself so as not to affect adversely the business, good standing, and reputation of the Company.

2.7 BlueCross BlueShield Association (BCBSA) owns the BLUE CROSS®, BLUE SHIELD® and GeoBlue® word and design marks, among others ("Brands"). Company is an independent licensee of

BCBSA and authorized to use the Brands, working in collaboration with BCBSA's Member Plans, subject to Company's license agreement with BCBSA and BCBSA's Brand Regulations.

Agency shall not use the Brands, or any other trademark owned by BCBSA, and shall not make any reference to BCBSA or BCBSA's Member Plans in any way (e.g., in Agency's advertising, letterhead, symbol or logo, business or product name, press releases, customer lists). Subject to 2.7 below, Agency shall also not use GeoBlue® word and/or design marks (trademark or service mark) without the explicit approval of Company.

Upon request of Agency during the term of this Agreement, the Company shall make available for Agency's use, standard advertising prepared for the Company. Agency may add, at Agency's expense, to the standard advertising only its business name, business address, agency number and telephone number, as provided for in the advertising, in compliance with BCBSA's regulations. No deletions or changes in the advertising copy are permissible.

Company may furnish Agent a URL link(s) to Company's products that shall display Agent's name and contact information, and shall be embedded with the unique identification number Company has assigned to Agent. Agent may post this URL link(s) on its proprietary Web pages that are designed for offering, disseminating, and selling health insurance products. Agent may not send said URL link(s) to any third party, or otherwise facilitate said URL link(s) being posted on a third party's Web page, or post said URL link(s) on any proprietary Web page of Agent not designed for offering, disseminating, or selling health insurance products, without written consent of Company.

Agent shall act solely as an independent contractor, and as such, shall control in all matters its time and effort in the placement of the Policies offered hereunder. Nothing herein contained shall be construed to create the relationship of employer and employee between Agent and Company.

- 2.8 Agent shall indemnify and hold the Company and its officers, agents and employees harmless from all expenses, costs, causes of action, claims, demands, liabilities and damages, including reasonable attorney's fees, resulting from or growing out of any unauthorized act or transaction or any negligent act, omission or transaction by Agent or employees of Agent.
- 2.9 Agent shall maintain in force insurance coverage against wrongful acts and errors and omissions of Agent, its agents and employees with respect to the services performed hereunder. Such insurance coverage shall be in the amount of at least \$100,000 for the sale of individual plans listed on **Schedule A** and at least \$250,000 for the sale of group plans listed in **Schedule A.**"
- 2.10 Agent shall promptly prepare and transmit to the Company, in a format acceptable to the Company, such reports as the Company may reasonably require from time to time, including reports of all information necessary for the Company to comply with all applicable laws, rules, and regulations or to manage its business.
- 2.11 Whenever any activity under this Agreement would cause a producer to be considered a "Business Associate" as defined in 45 C.F.R. section 160.103, the following restrictions in conjunction with any additional statutory requirement will apply to all uses and disclosures of all Protected Health Information:
- 2.11.1 Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law. Business Associate shall not sell Protected Health Information. Business Associate shall not use or disclose Genetic Information except as permitted by 45 C.F.R. § 164.502(a)(5)(i).
- 2.11.2 Business Associate shall use appropriate safeguards to prevent use or disclosure of Protected Health information.

2.11.3 Business Associate shall comply with the Security Rule, including developing and implementing written information security policies and procedures.

3 DUTIES OF THE COMPANY

3.1 The duties of the Company shall vary depending upon the specific product being sold by Agent. For all products, the Company will provide approved brochures and other approved marketing materials for sales campaigns. The Company will deliver to the customer all insurance policies, certificates and related correspondence or similar documents, in accordance with Company procedures. The Company shall respond in a reasonable and timely manner to inquiries and questions about the product. The Company shall maintain reasonable accounting, administrative, and statistical records in accordance with prudent standards of insurance record keeping, including premium, sale or effective date, and any other records needed to verify coverage, pay claims, or underwrite the company insurance products, of any insured participant covered under the policies.

4 RESERVATION OF RIGHTS

4.1 The Company reserves the right to reject any and all applications for its Policies submitted by Agent.

4.2 The Company reserves the right to discontinue writing or offering any of the Policies which are or become subject to this Agreement upon sixty (60) days notice to Agent (or the number of days required by law in the Agent's state of domicile).

5 MAINTENANCE OF RECORDS

5.1 Company and Agent each shall maintain at their respective principal office, for the duration of this Agreement and for seven (7) years thereafter, a system of files containing this Agreement and books and records of all transactions relating to this Agreement, including records of transactions with individual insureds. These books and records shall be maintained in accordance with prudent standards of insurance record keeping.

5.2 The Company, its employees, or authorized representatives may have unrestricted access to records for the Policies, and may audit, inspect and examine at reasonable times, upon reasonable notice and during regular business hours at Agent's place of business, all books and records, and may obtain copies of such books and records at its own expense. Company and Agent acknowledge that each shall accept automated files in lieu of hard copy files as permitted by law.

5.3 Agent shall fully cooperate with any audit or examination by any Department of Insurance or other authorized agencies and shall allow access to books and records maintained by either of them pursuant to this Agreement. Each shall notify the other within one [1] business day of any such audit or examination.

5.4 All information related to Policies underwritten by Insurers and persons covered by those Policies, including, but not limited to, lists of insureds' names, addresses, other relevant information, applications, master policies, files, documents and correspondence are the property of the Company subject at all times to its control. Sales literature, computer software and other property, tangible and intangible, which the Company furnishes to Agent, are the property of the Company subject at all times to its control. Any materials prepared by the Company which relate to Policies underwritten by an Insurer shall be subject to the Company's control. All property of the Company shall be returned to or provided to it upon its written request. If Agent's ability to perform under this Agreement shall be affected by the return of such

property, then it shall not be held in breach for its failure to perform resulting from such return. Except as provided in paragraph 5.5, Agent may not duplicate the Company's materials or use them in any way other than as authorized by the Company and shall secure the Company's approval prior to releasing any information contained in this property to parties outside this Agreement.

- 5.5 During the term of the Agreement, any extensions of it and for three (3) years thereafter, the Company shall keep strictly secret and confidential any Confidential Information about Agent, and Agent shall keep strictly secret and confidential any Confidential Information about the Company. "Confidential Information" shall include information, written or unwritten, which pertains in any way to financial or accounting matters, business production, methods of business operations, marketing, strategic planning or proprietary information of any kind or nature whatsoever, including trade secrets or know-how. Confidential Information does not include information that: (i) is already known to the recipient at the time of disclosure to it; (ii) is in the public domain or subsequently becomes publicly available; (iii) is provided to the recipient by a third party who is under no such obligation of confidentiality; or (iv) is independently developed by the recipient. Each party shall take necessary and reasonable precautions to prevent unauthorized disclosure of Confidential Information and shall require all of its officers, employees, and other personnel to whom it is necessary to disclose the same, or to whom the same has been disclosed, to keep this Confidential Information secret and confidential. It is understood, however, that certain "Confidential Information" may be required to be filed with State and Federal regulatory agencies in accordance with their reporting requirements. Neither party shall make use of the name or service mark(s) of the other, including use of the name or service mark(s) of any marketing, enrollment, or other public relations material without prior written approval of the other party.
- 5.6 Agent recognizes that in the performance of its obligations under this Agreement, it may be party to confidential information about individuals covered by Policies underwritten by an Insurer. Information that identifies an individual covered by the Policy is confidential. During the time confidential information is in Agent's custody or control, it shall take all reasonable precautions to prevent disclosure or use of the information for a purpose unrelated to administration of insurance benefits. Agent may disclose confidential information only:
- 5.6.1 in response to a court order;
 - 5.6.2 for an examination conducted by the Commissioner of Insurance;
 - 5.6.3 to the other party; or
 - 5.6.4 with the written consent of the identified individual or his or her legal representative.

6 COMPENSATION

- 6.1 Compensation for each policy written hereunder shall be made by the Company to Agent in accordance with **Schedule A**, attached hereto and incorporated herein by reference. The Company shall not be liable for any payments due to agents of Agent during the term of this Agreement or thereafter.
- 6.2 Compensation due under this Agreement shall be paid to Agent within 30 days from the end of each calendar quarter in which the Company receives premium with respect to its Policies or as may otherwise be agreed upon in writing.
- 6.3 A party shall have a lien and right of offset on all sums payable hereunder or otherwise for any debt due from the other party or the other party's agents. Indebtedness under this Agreement or under any other agreement between the parties shall constitute a general indebtedness survive the termination of this Agreement. A party shall not be limited to recovery of payment of this indebtedness from sums payable under this Agreement.

6.4 Under all circumstances, the Company shall have the right to offset overpayments to Agent against amounts due to Agent.

7 EFFECTIVE DATE, TERM AND TERMINATION

7.1 This Agreement shall commence on the effective date first stated above and shall continue in force until terminated pursuant to this Article.

7.2 Except as otherwise provided herein, this Agreement will begin on the effective date and terminate twelve (12) months thereafter, at which time it will automatically renew for subsequent one (1) year periods unless either party gives written notice a least sixty (60) days prior to termination date or unless termination is otherwise provided herein. The parties expressly agree that subject to the provisions of paragraph 7.3 and 7.4, any termination of this Agreement will not in any fashion terminate the obligations of the parties with respect to business written during the term of this Agreement. Subject to the above, the obligations of the parties with respect to such business shall remain in full force and effect until the cancellation or termination date of any such Policy.

Notice, as provided herein, is to be sent to:

If to the Company:

Worldwide Insurance Services, LLC
933 First Ave
King of Prussia, PA 19406

If to the Agent:

Agent or Agency Name: _____
Address: _____
City, State, ZIP: _____
Contact Name: _____
Phone Number: _____
Fax Number: _____
Email: _____

Other Information:

Checks Payable To: _____
(Corresponding to name as reflected on attached W-9 and license)

Website (if applicable): _____

All notices given under this Agreement must be in writing and sent via a verifiable method to the party receiving notice at the address indicated above or such address as may have been communicated most recently in writing to the sending party.

- 7.3 This Agreement will terminate automatically upon the occurrence of any of the following events, and upon such occurrence the parties shall be obligated to make only those payments the right to which accrued to the date of termination:
- 7.3.1 Suspension or revocation of a party's license(s) in any state(s) in which both parties are working together;
 - 7.3.2 Conviction of a felony by Agent and/or its employees;
 - 7.3.3 Sale or transfer, or other substantial changes are made in the ownership of Agent's Agency;
 - 7.3.4 Cancellation or expiration of Errors and Omissions insurance required of Agent by this Agreement;
 - 7.3.5 Misappropriation (or failure to remit) any funds or property due the Company from Agent;
 - 7.3.6 Determination that Agent is not in compliance with Company underwriting guidelines or the terms of this Agreement and Agent has failed to correct the problem within 10 days of the Company providing written notice of same;
 - 7.3.7 The filing of a petition in bankruptcy by a party or commencement of any voluntary insolvency proceeding;
 - 7.3.8 The filing of an involuntary petition in bankruptcy or commencement of any involuntary insolvency proceeding not cured by dismissal by the party within sixty (60) days of filing.
- 7.4 In the event of a material breach by a party to this Agreement, the non-breaching party may terminate this Agreement after providing thirty (30) days written notice to the breaching party to cure such breach. Upon such occurrence, a party shall be obligated to make only those payments the right which accrued to the date of termination.

8. **GENERAL PROVISIONS**

- 8.1 Failure of either party to insist upon the performance of any of the terms of this Agreement or to declare a forfeiture or termination in the event of non-performance by the other party shall not constitute a waiver of performance required hereunder.
- 8.2 No assignment, transfer or disposal of any interest that a party may have pursuant to this Agreement shall be made at any time without prior written approval of the other party. Notwithstanding the foregoing, Company may assign any and all interests under this Agreement to a parent or affiliate, or due to merger or acquisition without the consent of Agent.
- 8.3 This Agreement shall be binding upon the administrators and executors, successors and permitted assignees of the parties hereto.
- 8.4 No Amendment or modification of this Agreement shall be valid, or of any force or effect, unless the same be in writing and acknowledged and signed by the Company and Agent subject to the Notice provisions as set out in paragraph 7.2.
- 8.5 Any disputes, claims or counterclaims arising from or relating to this Agreement shall be subject to and shall finally and exclusively be resolved by binding arbitration under the rules of conciliation and arbitration of the American Arbitration Association. Each party shall appoint an arbitrator, and the two arbitrators thus selected shall designate a third. If either party fails to appoint an arbitrator within thirty

(30) days after receipt of notice of the appointment by the other party of its arbitrator, or if the arbitrators selected by the parties fail to appoint a third within thirty (30) days after both have been appointed, then the American Arbitration Association shall have the power, on the request of either party, to make the appointments which have not been made as contemplated above. The costs of arbitration shall be borne equally by the parties.

- 8.6 This Agreement shall be construed for all purposes and shall be interpreted and enforced in accordance with the laws of Pennsylvania. The parties agree the site of this contract is the Commonwealth of Pennsylvania. Each chooses the Commonwealth of Pennsylvania as its choice of forum for any suit or other action which may be filed to enforce all or any part of this Agreement or for damages arising directly or indirectly from it.
- 8.7 The terms and provisions of this Agreement shall be severable. If any provision of this Agreement shall be adjudged invalid or unenforceable under applicable law, such part may be reformed by a court of competent jurisdiction sitting in equity. The parties shall continue to abide by all other or remaining terms of this Agreement, and if the court declines to revise the offending provision, the parties shall strive to deal with each other in a fair and reasonable manner.
- 8.8 If applicable, the requirements of 41 CFR §§ 60-1.4(a), 60-250.5 (a), 60-300.5(a), 60-741.5(a), and 29 CFR Part 471, Appendix A to Subpart A, are incorporated herein by reference.

This Agreement constitutes the entire agreement between the parties with respect to its matter.

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have executed this Agreement.

WORLDWIDE INSURANCE SERVICES, LLC

By: _____

Name: Robert P. Boyd

Title: Associate General Counsel

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

AGENT OR AGENCY AGREEMENT

SCHEDULE A

Product Compensation Schedule

Requirements

Agent will also be required to furnish upon Company's request copies of State licenses for those States where products are to be marketed, negotiated and sold.

Compensation

The compensation stated below will be paid on Gross Collected Premium received from or through the Agent:

Travel Programs-Individual Plans

Description	Commission
Single trip health and accident insurance for international travel for individuals on leisure, educational, missionary or business travel	15%
Annual, multi-trip health and accident insurance for frequent international travelers on leisure, educational, missionary, or business travel	15%
Single trip health and accident insurance for groups of individuals on leisure, educational, missionary, or business travel	15%
Comprehensive travel insurance to protect your vacation investment (classic plan)	15%
Comprehensive travel insurance to protect your vacation investment (preferred plan)	15%
Comprehensive travel insurance to protect your vacation investment (economy plan)	15%
Primary medical insurance for expatriates	15% initial (7.5% renewal)
Primary medical insurance for missionaries; maritime crew; students and faculty	15% initial (7.5% renewal)

Business Programs-Mandatory Group Plans

Description	Commission
Blanket accident and health insurance for business traveler	15%
Major medical insurance for expatriates	8%

If the commission rate deviates from 15% for the Traveler plan or 8% for the Expatriate plan, a signed addendum is required.

Student Programs- Mandatory Group Plans

Description	Commission
Coverage designed exclusively for international students who reside outside of their home country while engaged in educational activities	To be determined and agreed to in writing