

BROKER AGREEMENT

This Broker Agreement ("Agreement") between Southeastern Indiana Health Organization, Inc. ("SIHO") and _____ (whether an individual or a corporation, LLC, partnership, or other entity, hereinafter "Broker") allows Broker to solicit applications from eligible employer groups and individuals for products as shown on the attached schedules ("Products").

DUTIES OF BROKER

1. Broker will comply with SIHO's rules, policies, and documentation requirements relating to the completion and submission of applications for Products, will obtain and record accurately and completely all information required by such applications and the relevant contract, service agreement, policy, certificate, or Product referred to therein and, as a material part of the consideration for the making of this Agreement by SIHO, agrees that Broker will not make any representations whatsoever with respect to the nature or scope of the benefits provided by the Products, except through and by means of the written material furnished to Broker for that purpose by SIHO. Broker must not and shall have no authority to make any oral or written alteration, modification or waiver of any of the terms or conditions of any of the Products.
2. In addition to maintaining any and all appropriate license(s) required by State or Federal regulatory bodies or governmental authorities and complying with any requirements imposed by those bodies or authorities on persons or entities holding such license(s), Broker and its agents, brokers, and producers will conduct business so as not to adversely affect the business, good standing or reputation of SIHO.
3. Broker agrees not to employ or make use of any advertisement in which the corporate name, assumed or trade name (d/b/a), trademarks, and products of SIHO, any of its affiliates, or the products' underwriters and/or service providers appears without the prior, written approval and consent of SIHO.
4. Broker shall act solely as an independent contractor and, as such, shall control in all matters his time and effort in the placement of the Products offered hereunder. Nothing herein contained shall be construed to create the relationship of employer and employee, principal and agent, partner, or joint venture between the Broker and SIHO. Accordingly, unless required by law, SIHO will not withhold any amounts from Broker's compensation for payroll, taxes, workers compensation or unemployment insurance, or similar withholdings, all of which are the sole responsibility of Broker.
5. Broker shall have no power on behalf of SIHO or the underwriters or servicers of the Products to bind coverage, to make, alter or discharge any contract, or to waive any forfeiture or the performance of any of the terms and conditions of any policy, service agreement, or other contract to which SIHO or the Products' underwriter or servicer is a party. Rather, Broker is authorized solely to solicit applications for Products, which applications shall be subject to review and approval/disapproval in the sole discretion of SIHO, and any contract resulting therefrom shall be made between SIHO and the solicited customer according to SIHO's terms and discretion.

6. If SIHO is the health insurance carrier or administrator endorsed by the Chamber of Commerce or other association of employers or individuals ("Association") in the geographic area(s) in which Broker (through its agents, brokers, or producers) markets Products or a Chamber of Commerce or Association sponsors a plan that uses or incorporates a Product, then Broker must have an active membership and agrees to maintain an active membership in such Chamber of Commerce or Association. No compensation will be paid to Broker for such Association products for periods that Broker did not have an active membership in said Chamber of Commerce or Association.
7. Broker shall not, without the prior written consent from SIHO, contract with, engage or otherwise enter into a relationship with any sub-broker, subagent, or subcontractor to sell any products of SIHO.
8. Broker shall not receive any funds due to SIHO, except for the initial month's premium by a check made payable to SIHO. Broker shall hold all such payments in a fiduciary capacity and shall hold and transmit such funds in accordance with instructions by SIHO.
9. Broker must maintain errors and omissions, professional liability, and general liability insurance coverage during the entire duration of the Agreement and for two years following the termination of the Agreement, in amounts and on terms customary in the industry for similarly situated brokers and reasonably acceptable to SIHO. Broker agrees to provide SIHO with proof of such coverage upon request.
10. If Broker is authorized to sell insured/HMO Products in the geographic areas where SIHO is permitted to market and write such Products, then Broker understands and agrees that those Products must only be marketed and sold in those specific geographic areas as specified by SIHO and/or the relevant governmental or regulatory body/authority.
11. Broker must comply with all laws and regulations applicable to the offering and potential sale of Products or any other aspect of Broker's performance under this Agreement, including but not limited to those laws and regulations addressing HMOs and policies issued through a federally-facilitated marketplace, among others.
12. If Broker is a corporation, LLC, partnership or other entity, then Broker shall, in addition to compliance with the other terms hereof, (a) cause all of the employees, partners, directors, officers and other individuals acting by, for or through Broker to comply with all of the terms of this Agreement, (b) provide information requested herein for each of such individuals who act as an agent, broker, or producer, and (c) at SIHO's request, exclude specified individuals from representing SIHO as an agent, broker, or producer hereunder.

RIGHTS RESERVED TO SIHO

1. SIHO reserves the right to reject any and all applications submitted by Broker.
2. SIHO reserves the right to select which Products and the geographic areas in which those selected Products may be offered and sold pursuant to this Agreement. The Products subject

hereto may be modified or eliminated by SIHO at any time upon reasonable notice to the Broker.

3. SIHO reserves the right to discontinue writing or offering any Product upon thirty (30) days notice to Agent.

RECORD MAINTENANCE

1. SIHO, its employees or authorized representatives shall have unrestricted access to records related to Products and any proposed customers offered such Products, and may audit, inspect and examine at reasonable times, upon reasonable notice and during regular business hours, all such books and records, and may obtain copies of such books and records at its own expense.
2. Broker 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 Broker pursuant to this Agreement. Each party shall immediately notify the other of any such audit or examination.
3. Broker recognizes that in the performance of its obligations under this Agreement it may be exposed to, or otherwise learn, to confidential and/or proprietary information about SIHO and its affiliates and their respective marketing, pricing, processes, systems, relationships, products, services, customers, sales, costs, strategies, and other information not generally available to the public (collectively, "Confidential Information").

Broker shall take all reasonable precautions to restrict access, storage, use, or disclosure of Confidential Information to only those necessary for the proper administration of insurance benefits. Broker shall not disclose Confidential Information except:

- (i) in response to a court order, after providing SIHO with prompt notification thereof and an opportunity to respond and oppose such disclosure;
 - (ii) for an examination conducted by a department of insurance or other regulatory body;
 - (iii) for an audit or investigation conducted under the Employee Retirement Income Security Act of 1974 (29 U.S.C. – 1001, et seq.);
 - (iv) to or at the request of SIHO; or
 - (v) in its internal administration and performance of this Agreement.
4. In addition to Confidential Information, Broker may be exposed to, or otherwise learn, sensitive information regarding SIHO's customers and any participants under any relevant plans. To comply with Federal law, Broker must obtain any relevant authorization from any relevant parties and any necessary documentation to permit the access, storage, use, or disclosure of any protected health information as that term is defined under HIPAA as amended. Nothing in this Agreement should confer a Business Associate relationship between SIHO and Broker. Instead, to the extent that Broker and its agents, brokers, producers, or other employees participate in any portion of the application, enrollment or administration of an employer group's plan, they are doing so as an intermediary on behalf of the respective employer group and not on behalf of SIHO. SIHO has not delegated any of its administrative

or other HIPAA-related functions to the Broker and, to the extent that the Broker interacts with the plan, it is only at the specific request of the employer group.

COMPENSATION

1. Compensation to Broker shall be based on the terms, conditions and rates for each type of Product to be offered, which are set out in this Agreement and the attached Commission Schedule. SIHO retains the right to adjust the commissions paid on Products at any time. Any changes in the compensation rate shall be effective only upon the renewal date of an existing group or upon thirty (30) days notice for new groups. New product offerings, sales incentives and adjustments will be announced by U.S. or electronic mail and effective thirty (30) days after such announcement. The groups subject to this Agreement may be added to upon Broker's submission of a group for acceptance by SIHO and SIHO's written acknowledgement of such acceptance. If, at any time, SIHO is notified in writing that a group and Broker have terminated their relationship, Broker will no longer be entitled to receive payment on such group's business as of the effective date of termination.
2. If SIHO receives a request to change the Broker of Record to a new agent or broker, we will notify the existing agent or broker of the request, then make the change on the first of the month following the request if the request comes in prior to the 15th of the month, or on the first day of the second-following month if the request comes in on the 15th of the month or subsequent.
3. Payments to the Broker shall consist of either a fixed dollar amount or the percentages of earned premiums actually paid by the group as set forth in the attached Commission Schedule. Earned premiums are defined as premiums due and paid pursuant to the Products issued to the groups. Earned premiums do not include monies paid by a group to SIHO for related products or services or for claims and/or retention fees that the group pays after the termination date of that group's policy or contract. Broker shall be paid no later than the month following the month of the premium application or as soon as is reasonably possible.
4. If a contract, service agreement, or policy written by Broker is recalled or rescinded and the premiums paid thereon returned, the Broker shall repay SIHO on demand the amount of payment (compensation and awards) received on premiums returned.
5. SIHO shall have a first lien and right of offset on all sums payable hereunder (including overpayments made by SIHO) or otherwise for any debt due from Broker. Indebtedness of Broker to SIHO under this Agreement or under any other agreement between Broker and SIHO shall constitute a general indebtedness which shall survive the termination of this Agreement, and SIHO shall not be limited to recovery of payment of such indebtedness from sums payable under this Agreement.
6. If this agreement is terminated for any reason identified in the Termination Section under items d. thru i, all compensation will be forfeited immediately with no further compensation payable under this agreement.

ASSIGNMENT; NO COMPENSATION TO OTHER BROKERS

No assignment, transfer or disposal of any interest that Broker may have pursuant to this Agreement shall be made at any time without prior written approval of SIHO. SIHO may assign this Agreement at any time.

SIHO shall not be obligated to pay compensation to any other agent, broker, or producer under this Agreement, and Broker shall indemnify and hold SIHO harmless from and against any claim for compensation made by a third-party claiming through Broker.

AGREEMENT BINDING

This Agreement shall be binding upon the administrators and executors, successors and permitted assignees of the parties hereto.

ENTIRE AGREEMENT; INTEGRATION AND MODIFICATION

This Agreement, including any Schedules or Exhibits that are hereby incorporated by reference, constitutes the entire, integrated agreement between the parties with respect to the subject matter hereof and supersedes any prior written or oral agreements, communications, representations, understandings, or statements. This Agreement may be modified only by a written amendment signed by both parties hereto.

WAIVER

No failure of either party to enforce a term of this Agreement against the other shall be construed as a waiver of that term, nor shall it in any way affect the party's right to enforce the term. No waiver by any party of any term of this Agreement shall be considered to be a waiver of any other term or breach thereof.

SEVERABILITY

The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other provision of this Agreement. Any void provision shall be deemed severed from this Agreement, and the balance of the Agreement shall be construed and enforced as if it did not contain the particular provision to be held void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire Agreement from being void should a provision which is the essence of this Agreement be determined void.

LAW

Except as otherwise required by any state's laws, this Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

ARBITRATION

Any disputes, claims or counterclaims arising or relating to this Agreement shall be subject to and shall be finally and exclusively 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 its 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 the 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.

ATTORNEYS FEES

If SIHO is required to enforce this Agreement, or prosecute the breach thereof by Broker, its agents, brokers, producers, or employees, SIHO shall recover from Broker, reasonable attorneys' fees for the enforcement or prosecution thereof, including costs and fees associated with such action.

TERMINATION

This Agreement will terminate automatically upon the occurrence of any of the following events:

- a. Death or total disability of Broker if the appointed Broker is contracted as an individual agent;
- b. The filing of a petition in bankruptcy by the Broker, or commencement of any other involuntary insolvency proceeding;
- c. The filing of an involuntary petition in bankruptcy or commencement of any other involuntary insolvency proceeding not cured by dismissal by Broker within sixty (60) days of filing;
- d. Breach of any of the terms of this agreement by the appointed Broker or any of its agents, brokers, producers, or employees;
- e. Loss or suspension of Broker's relevant license (i.e., Life and Health Producer) by the Department of Insurance;
- f. Failure to obtain appropriate authorization documentation required by SIHO;
- g. Commission of fraudulent, deceitful or dishonest acts as determined by SIHO, including, but not limited to, failing to provide truthful, accurate and relevant information obtained with respect to an applicant for insurance;
- h. Commission of any act which adversely affects the business, good standing or reputation of SIHO;
- i. Threatening or acting in an abusive manner toward SIHO or any of its employees or representatives or any group or prospective group.

Additionally, either party may terminate this Agreement, in his/her/its sole discretion with or without cause, upon thirty (30) days' notice delivered to the other party.

In the event of termination of this Agreement, Broker shall immediately cease all marketing activities related to the Products, including any solicitation of business for SIHO.

DISCLOSURE

All compensation payable to Broker pursuant to this Agreement is subject to disclosure or reporting by SIHO to third-parties, including governmental agencies and prospective customers. Broker shall disclose the compensation paid or payable hereunder only as required by law or regulation. Other than as expressly permitted, Broker shall not disclose any of the terms of this Agreement to any third-party.

ASSIGNMENT OF COMMISSIONS

In order to assign any commissions payable under this Agreement, Broker must request from and submit to SIHO a signed, complete Assignment of Commission Form. No commissions may be assigned without SIHO's prior approval of the above.

AGENT APPLICATION

A signed, complete Agent Application with all required supporting documentation must be submitted to SIHO by Broker for each individual agent, broker, or producer that may attempt to or actually solicit applications or sell Products on behalf of Broker. An Agent Application Form is attached hereto as Exhibit A.

EFFECTIVE DATE

This Agreement shall be effective on _____, 20____.

Broker's Federal Tax ID Number:

Broker's Chamber of Commerce Affiliations:

Broker's Principal/Business Address:

**SOUTHEASTERN INDIANA HEALTH
ORGANIZATION, INC.:**

By: Wetzel, Monica

Title: Chief Sales Officer

Printed Name: Monica Wetzel

(BROKER)

By: _____

Title: _____

Printed Name: _____

IMPORTANT NOTE: please return a separate Agent Application (in the form of Exhibit A) for each individual agent if Broker is a corporation, partnership, LLC, or other entity.