



QQLink

QQLink Web Hosting Agent Enrollment Kit

**QQAgency of Ohio, Inc.
17800 Royalton Road
Cleveland, Ohio 44136**

SECTION C. BANK DEPOSIT INFORMATION

(All agents must complete)

<p>Direct Deposit (Required)</p> <div style="border: 1px solid black; padding: 5px;"><p>JOHN DOE 123 123 Any Lane Anywhere, USA 12345 Date _____</p><p>Pay to the ORDER OF: _____ \$ <input type="text"/></p><p>MEMO _____</p><p> :01010101: :0101010101 <i>Routing Number Account Number</i></p></div>	<p>Please Complete the Following for Your Account</p> <p><input type="checkbox"/> Checking <input type="checkbox"/> Savings</p> <p>Account Holder's Name _____</p> <p>Financial Institution _____ Branch _____</p> <p>Routing Number _____</p> <p>Account Number _____</p> <p>City _____ State _____ Zip _____</p>
---	--

I authorize QQAgency of Ohio, Inc. and Continental General Insurance Company to initiate credit entries, and adjustments for any credit entries in error. This authorization will remain in effect until I have cancelled it in writing. I understand that my commission checks will be directly deposited to the above financial institution. I understand that commission statements will be available the 10th of each month and "Statement of Earning" information cannot be given over the phone. QQAgency of Ohio, Inc. and Continental General Insurance Company will electronically deposit earned commissions directly into the checking account of your choice on the 2nd working day following the 1st of each month. Commission statements will be available on the 10th of each month.

ASSIGNMENT OF COMMISSIONS

Do you wish to assign commissions? (If yes, complete this section) Yes No

For the value received, I _____ of the city of _____

of the state of _____ do hereby assign, transfer, and set over to: _____

_____ (Insert the assignee's name) its successors and assigns, my rights, title and interest in and to the first year and renewal commissions which shall accrue to me from QQAgency of Ohio, Inc. and Continental General Insurance Company under contract.

Federal ID #: _____

Address: _____

City: _____ State: _____ Zip Code: _____

I further certify that there is no previous assignment or assignments nor any bill of sale of these commissions or any part thereof has been previously made by me to any other person or persons, or is there any claim against such commissions outstanding.

I do, also for myself, my executors or administrators, guarantee the validity of the foregoing assignment.

Are you assigning commissions to someone other than your own agency?

Yes (If yes, provide e-mail address): _____ No

Note, if commissions are assigned to an agency, the agency must be appointed.

Signature: _____

Date: _____

INITIAL WEBSITE SET-UP

- Enter the **WEB** address that you would like your Website to be located at: For example: **www.insuranceagency.qqlink.com**. Please do not use any punctuation marks or spaces. You are limited to 30 characters in your WEB address.

http://www._____.qqlink.com

Please note: this cannot be changed later, so name your site carefully.

- Enter the number of years you have been in business (i.e. 14). _____
- List the states you operate in below: (this must match licenses provided)

Here is the sentence you will be completing:

Providing quality products and services for over XX years in _____

NOTE: Upon confirmation of your enrollment, you will have an opportunity to enhance your site with various photo choices and additional biographical information.

CREDIT CARD INFORMATION & SIGNATURE

Unless otherwise indicated, your credit card will be charged immediately for the applicable state appointment fees. The monthly hosting fee will be charged when your website is activated. The state appointment fee(s) debited to your credit card will be based on the current appointment fee set by the state department of insurance for your company appointment. If you are appointed in multiple states, you will be charged the appointment fee for each state, if applicable.

Name as it appears on Credit Card: _____ Type of Credit Card: Visa MasterCard

Account Number: _____ Expiration Date: _____ / _____
month year

I acknowledge that all the information is correct. I authorize QQAgency and Continental General Insurance Company to process my agent application and other enrollment materials including charging my credit card for appropriate fees as previously outlined. To complete authorization and acknowledgement above, please print and sign your name with today's date below.

All information will be inputted on your behalf by a QQLink associate.

Print Name: _____ **Signature:** _____

Date: _____

QQLINK'S ONLINE WEB HOSTING SALES AGREEMENT

This Online Sales Agreement ("Agreement") is between QQAgency of Ohio, Inc., ("QQAgency") a Delaware corporation having its principal offices at 17800 Royalton Road, Cleveland, Ohio 44136, and the undersigned (the "Agent") having its principal offices where indicated below, this date, as indicated at the end of this agreement. This Agreement contains one or more Schedules which are integral parts of this Agreement.

1. DEFINITIONS.

As used in this Agreement and in addition to any other terms defined herein, the capitalized terms used herein shall have the meanings set forth below.

"Insurance Company" means each insurance company: (i) QQAgency represents for the sale of one or more Online Products or other insurance products ("Other Products"), and (ii) with whom Agent has been appointed.

"Online Product" means any insurance policy or product sold by an Insurance Company for which an insurance application may be made online only through the QQLink Website or Agent's Website. QQAgency has the unilateral right to select the insurance policies and products which may be so offered and may add or delete insurance policies and products at any time.

"Online Sale" means the sale by an Insurance Company of an Online Product pursuant to an insurance application submitted online by consumers through the QQLink Website or Agent's Website.

"Person" means an individual, corporation, partnership (general or limited), limited liability company, business trust, association or other entity.

"QQLink Website" means the Website maintained by QQLink.com, Inc. ("QQLink"), an affiliate of QQAgency.

2. ONLINE AGENCY APPOINTMENT.

2.1 Agent is appointed to solicit applications for the Online Products offered by each Insurance Company and Other Products authorized by QQAgency, all as identified in a Schedule of Commissions attached hereto.

2.2 A license application, in the form attached, for each Insurance Company whose online products will be sold by Agent must be completed by Agent and Agent must provide a copy of Agent's current insurance license(s) to QQAgency prior to payment of any compensation to Agent.

2.3 Agent shall maintain in force a Web Hosting Terms and Conditions with QQLink for a QQLink Website personalized for Agent ("Agent's Website"), on the terms and conditions attached, including the obligation to pay a monthly fee in effect from time to time. Should Agent elect to participate in any other online offerings from QQAgency or QQLink, Agent may elect to participate by agreeing to be bound by the terms and conditions applicable to such other programs, as those terms shall be contained at the website for such offering.

3. COMPENSATION.

3.1 As full compensation for Agent for Online Sales and sales of Other Products authorized by QQAgency, QQAgency and Continental General Insurance Company shall pay the commissions on the Schedule of Commissions.

3.2 QQAgency shall notify Agent at least ten (10) days prior to any revision to the Schedule of Commissions.

4. AUTHORITY AND RESPONSIBILITY.

4.1 Agent shall market only the Online Products through Agent's Website established and maintained pursuant to this Agreement. Agent shall promptly respond to all inquires and requests from visitors to and users of Agent's Website.

4.2 Agent shall deliver to QQAgency a copy of each complaint, request,

and inquiry pertaining to any Online Product and Other Product authorized by QQAgency received by Agent from any federal or state insurance regulatory authority (accompanied by copies of all reasonably available information and records of Agent, or any Sub-Agent if applicable, to assist QQAgency in responding to such complaint, request or inquiry) no later than ten (10) business days after Agent's receipt of such complaint, request or inquiry. At the request of QQAgency, Agent shall promptly respond, after prior consultation with QQAgency, to any such complaint, request, inquiry, or other correspondence received by Agent from any federal or state insurance regulatory authority.

5. INSURANCE.

Agent shall at all times during the term of this Agreement maintain an "Errors and Omissions" policy of insurance (the "E&O Policy") issued to Agent by an insurer acceptable to QQAgency with a face amount of coverage of not less than one million dollars. The E&O Policy shall provide coverage to Agent for (a) all occurrences during the policy period, (b) all injuries arising out of malpractice, error, or omissions for which Agent is legally responsible in relationship to his duties hereunder, (c) all contractual obligations undertaken by Agent under this Agreement, and (d) all third party claims, including fines levied by governmental agencies, and third party punitive damages, to the extent permitted by applicable law.

6. TERM.

6.1 The term of this Agreement shall commence on the Effective Date, and shall continue thereafter, subject to the termination provisions contained herein, for a period of two (2) years (the "Term"). The term of this Agreement will automatically renew for additional successive terms of one (1) year (each a "Renewal Term"), unless either party provides written notice to the other party at least thirty (30) days prior to the end of the then-current term of its intent not to renew the term of this Agreement.

6.2 Termination

- (a) This Agreement may be terminated by QQAgency for any reason or no reason on ten (10) days prior notice.
- (b) After QQAgency has given notice of termination hereunder, regardless of manner or method of termination, the obligations of the parties shall continue in all respects and the parties maintain the status quo hereunder until the effective date of such termination.

6.3 Effect of Termination.

- (a) Upon termination of this Agreement, all authority delegated by QQAgency to Agent under this Agreement shall terminate in its entirety.
- (b) After the effective date of termination, Agent shall not access or utilize the Agent's Website for any reason and QQAgency shall have the right to terminate all access to the Agent's Website or to redirect access to the Agent's Website to another location.
- (c) The terms and conditions applicable to QQAgency's obligation to pay commissions to Agent following a termination are as set forth in the Schedule of Commissions.
- (d) Termination of this Agreement pursuant to the provisions of this Section will terminate each party's obligations under this Agreement except for the obligations to pay what has accrued prior to the effective date of such termination and Section 7 below, all of which will survive termination of this Agreement.

7. INDEMNIFICATION.

Agent shall indemnify and hold harmless QQAgency and each of its affiliates, Ceres Group Inc., Insurance Company and each of their officers, directors, and employees, agents and successors and assigns (the "QQAgency Indemnities") from and against any and all losses, damages,

claims, suits, proceedings, liabilities, costs, and expenses (including, without limitation, settlement costs, interest, penalties, and reasonable attorneys' fees and any reasonable legal or other expenses for investigation or defense of any actions or threatened actions) which may be imposed on, sustained, incurred or suffered by or served against any of QQAgency Indemnities as a result of, relating to, arising out of, or in connection with the (a) any negligence or willful misconduct of Agent, (b) any breach by Agent of any term or provision of any of this Agreement or any duty owed by Agent to QQAgency under this Agreement, or (c) any breach by Agent of any other duty owed by such Agent to QQAgency or any of its affiliates, or (d) Agent's violation of any rule, regulation, requirement or law of any federal, state or local governmental authority, or (e) the acts or omissions of Agent or Agent's employees, agents, contractors, vendors, or anyone gaining access to the QQLink Website by means of Agent's account, or (f) any and all losses, damages, penalties, costs and expenses, including legal and accounting fees, incurred or suffered by QQAgency which result from or arise out of any liability or taxes arising from Agent's failure to pay taxes required under this Agreement.

8. TAXES.

Agent will pay all sales, use, transfer, privilege, excise charges, surcharges or other taxes, and all duties, whether international, national, state or local, however designated, which are levied or imposed by reason of the transactions contemplated hereby (collectively, the "Taxes"); excluding, however, income taxes on profits or premium tax which may be levied against QQAgency. The amount of any Taxes applicable to the transactions contemplated hereby will be paid by Agent, or in lieu thereof, Agent will provide QQAgency with a tax exemption certificate acceptable to the applicable taxing authorities.

9. ARBITRATION.

Any dispute arising out of or related in any manner to this Agreement shall be settled by arbitration in accordance with the rules and regulations of the American Arbitration Association and with the Ohio Rev. Code, §2711 et. al., and judgement on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If a dispute arises which the parties in good faith cannot settle, either party may within six (6) months from the alleged breach or occurrence resulting in the dispute make a demand for arbitration by filing a demand in writing with the other party and serving same by depositing it in the U.S. mail, return receipt requested. QQAgency and Agent shall each choose, within thirty (30) days after demand for arbitration is mailed, an arbitrator and the two appointed arbitrators shall choose a third arbitrator. Each of the parties hereby irrevocably waives punitive, exemplary, consequential and other non-compensatory damages in connection with any arbitration award with respect to the dispute.

10. MISCELLANEOUS.

10.1 This Agreement shall not be assignable by Agent without the prior written consent of QQAgency.

10.2 Each party hereto shall bear all of its own expenses and costs in connection with the execution, delivery, and performance by such party of this Agreement.

10.3 Notices contemplated by this Agreement shall be effective if given to Agent at Agent's last known e-mail address. Notices contemplated by this Agreement shall be effective if given to QQAgency/QQLink at: notice@qqlink.com.

10.4 This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without giving effect to principles of conflicts of laws thereunder.

10.5 This Agreement, including the documents referred to herein, shall constitute the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings, with respect to such subject matter.

10.6 This Agreement may not be amended, changed or modified in any manner, except by an instrument in writing signed on behalf of each of the parties hereto or by their duly authorized representatives. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision, nor in any way to affect the validity of this Agreement or any part thereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

10.7 Agent understands and agrees that QQAgency may offset any payment due Agent, whether arising out of this Agreement or otherwise, against any past, present or future debts or amounts that Agent owes QQAgency or any affiliate of QQAgency, whether arising out of this Agreement or otherwise.

10.8 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, provided that the rights and obligations of the parties hereto shall not be assigned, except as expressly permitted, pursuant to the terms of this Agreement.

10.9 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or any of the remaining provisions of this agreement.

10.10 Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

10.11 QQAgency and Agent agree that the rule, requiring that any ambiguities contained herein be construed against the drafter hereof, shall not apply to this Agreement.

10.12 The relationship between QQAgency and Agent created by this Agreement shall be that only of an independent contractor. Nothing contained in this Agreement shall be construed as creating or deemed to create the relationship of employer and employee, a partnership, a joint venture or other association between QQAgency or any of its affiliates, directors, officers, employees, agents or subagents and Agent.

11. PRIVACY.

WHEREAS, the Parties wish to comply with state and federal privacy laws, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as amended, the federal Gramm Leach Bliley Act ("GLBA") as implemented on a state-to-state basis, and the USA Patriot Act ("USAPA"), as well as with applicable regulations issued pursuant to HIPAA, GLBA and USAPA, the Parties agree, as follows:

11.1 For Purposes of this Agreement, the Following Definitions Apply.

"Health Information" for purposes of GLBA means any information or data except age or gender, whether oral or recorded in any form or medium, created by or derived from a health care provider or the consumer that relates to:

- (a) the past, present or future physical, mental or behavioral health or condition of an individual,
- (b) the provision of health care to an individual, or
- (c) payment for the provision of health care to an individual.

"Health Information" for purposes of HIPAA means any information, whether oral or recorded, in any form or medium that:

- (a) is created or received by a health care provider, health plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and
- (b) 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.

"Individually Identifiable Health Information" for purposes of HIPAA means Health Information, including demographic information collected from an individual, and that:

- (a) is created or received by a health care provider, health plan, employer, or health care clearinghouse; and
- (b) 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
 - (i) that identifies the individual; or
 - (ii) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

"Nonpublic Personal Health Information" means Health Information:

- (a) that identifies an individual who is the subject of the information; or
- (b) with respect to which there is a reasonable basis to believe that the information could be used to identify an individual.

"Nonpublic Personal Financial Information" means:

- (a) Personally Identifiable Financial Information; and
- (b) any list, description or other grouping of consumers (and publicly available information pertaining to them) that is derived using any Personally Identifiable Financial Information that is not publicly available.

"Personally Identifiable Financial Information" means any information that:

- (a) a consumer provides to obtain an insurance product or service from a licensee;
- (b) about a consumer resulting from a transaction involving an insurance product or service between a licensee and a consumer; or
- (c) is otherwise obtained about a consumer in connection with providing an insurance product or service to that consumer.

"Protected Health Information" means Individually Identifiable Health Information that is:

- (a) transmitted by electronic media,
- (b) maintained in any medium deemed to be electronic media in HIPAA, or transmitted or maintained in any other form of medium.

11.2 Agreements Related to HIPAA.

In performing its duties and obligations under the Agent Agreement, Agent shall have access to, create, receive, maintain or transmit Protected Health Information within the meaning of HIPAA and the regulations entitled, "Standards for the Privacy of Individually Identifiable Health Information" (the "Privacy Rule"). As such, Agent is a "Business Associate" within the meaning of the Privacy Rule. Accordingly, in performing its duties pursuant to the Agent Agreement, Agent hereby agrees that it shall:

- (a) Not use or further disclose Protected Health Information other than as permitted or required by the Agent Agreement or as otherwise required by law.
- (b) Use appropriate safeguards to prevent unauthorized uses or disclosures of Protected Health Information. Upon request of Company, from time to time, Agent shall provide information to Company regarding such safeguards.
- (c) Implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of data that is electronically exchanged, including, without limitation, electronic PHI that it creates, maintains or transmits on behalf of Company. Upon request of Company, from time to time, Agent shall provide information to Company regarding such safeguards.
- (d) Promptly report to Company any security incident of which it becomes aware and any unauthorized uses or disclosures of Protected Health Information of which it becomes aware, and mitigate, to the extent practicable, any harmful effect known to Agent of a use or disclosure of Protected Health Information by Agent in violation of the requirements of this Agreement.
- (c) Ensure that any agents of Agent, including, but not limited to, contractors and subcontractors, to whom Agent provides Protected Health Information (including, without limitation, electronic Protected Health Information) received from Company, or created or

received by Agent on behalf of Company, agree to the same restrictions and conditions that apply to Agent with respect to such information, including, without limitation, the obligation to implement reasonable and appropriate safeguards to protect electronic Protected Health Information.

- (f) Notify Company in writing within five (5) business days of any requests received by Agent from individuals seeking access to or copies of Protected Health Information received or created by Agent on behalf of Company, and respond to such requests when and as directed by Company.
 - (g) Notify Company in writing within five (5) business days of the receipt by Agent of any requests from individuals seeking to amend Protected Health Information maintained by or on behalf of Company, and respond to such requests when and as directed by Company. Additionally, when and as notified by Company, Agent shall incorporate any amendments, corrections and/or other documents or information to Protected Health Information maintained by Agent and shall notify its contractors and subcontractors who receive Protected Health Information of any such amendments, corrections and/or other documents or information.
 - (h) Notify Company in writing within five (5) business days of any requests received by Agent from individuals seeking an accounting of disclosures of Protected Health Information and respond to such requests when and as directed by Company. Additionally, Agent shall maintain and make available to Company upon request a record of all disclosures of Protected Health Information made, including, at a minimum, the date of each disclosure, the name and address of the recipient of the Protected Health Information, a description of the Protected Health Information disclosed and the purpose of and basis for the disclosure.
 - (i) Make its internal practices, books, and records relating to the use and disclosure of Protected Health Information received from Company, or created or received by Agent on behalf of Company, available to Company, or at the request of Company, to the Secretary of the Department of Health and Human Services (the "Secretary") for purposes of determining Company's compliance with HIPAA and the privacy regulations there under. Copies of any Protected Health Information so provided by Agent to the Secretary also shall be provided to Company.
 - (j) At termination or expiration of the Agent Agreement, if feasible, return or destroy all Protected Health Information received from Company, or created or received by Agent on behalf of Company, that Agent still maintains in any form, and retain no copies of such information; or, if such return or destruction is not feasible, Agent shall extend the protections of this Addendum to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.
- #### **11.3 Agreements Related to USA Patriot Act Obligations.**
- Company is governed by federal laws which require Company to comply with the Customer Identification section under the USA Patriot Act ("USAPA"). Under this regulation, insurers must set forth standards regarding the identity of their customers in connection with the purchase of insurance. Accordingly, Company is required to obtain the following commitments from Agent, and Agent agrees it shall:
- (a) Confirm the identity of an applicant applying for coverage other than by electronic means ("QQLink"). Individual and association business must be confirmed by viewing either the insured's driver's license, state identification or passport. Employer business will be confirmed by submission of a current wage and tax statement with the application for proper underwriting. All business, including QQLink business, will be run through the companies routinely checked government-issued lists of known or suspected criminals.
 - (b) Not conduct business transactions with customers who provide suspicious identities or who fail to provide confirming evidence of their identities.

11.4 Agreements Related to Gramm Leach Bliley Act.

Company is governed by state laws, which require Company to contractually restrict the disclosure of Nonpublic Personal Financial Information and Nonpublic Personal Health Information by non-affiliated third party performing services for it. "Non-affiliated third parties" are those companies or individuals doing business with Company that do or may in the course of their business receive protected Nonpublic Personal Financial Information and Nonpublic Personal Health Information regulated by state law. Accordingly, Company is required to obtain the following commitments from Agent, and Agent agrees it shall:

- (a) Not use or further disclose Nonpublic Personal Financial Information or Nonpublic Personal Health Information other than to carry out the purposes for which Company disclosed such information to Agent, including a use permitted under an exception permitted by applicable law in the ordinary course of business to carry out those purposes.
- (b) Use appropriate safeguards to prevent unauthorized uses or disclosures of Nonpublic Personal Financial Information and Nonpublic Personal Health Information. Upon request of Company, from time to time, Agent shall provide information to Company regarding such safeguards.
- (c) Ensure that any agent, including a subcontractor, to whom it provides Nonpublic Personal Financial Information or Nonpublic Personal Health Information received from Company, or created or received by Agent on behalf of Company, agrees to the same restrictions and conditions that apply to Agent with respect to such information.

11.5 Injunctive Relief; Indemnification.

- (a) Injunction. The parties acknowledge and agree that in the event of a breach or threatened breach by Agent of its duties and obligations hereunder with respect to Nonpublic Personal Financial Information, Nonpublic Personal Health Information and/or Protected Health Information, Company shall be irreparably and substantially harmed and that remedies at law will not be an adequate remedy for such breach. Accordingly, in such event, Company shall be entitled to immediate injunctive relief against such breach or threatened breach. Such rights to injunctive relief shall be in addition to and not in limitation of any other legal and equitable relief available to Company under applicable law.
- (b) Indemnification. Agent hereby agrees to indemnify, defend and hold harmless Company, its board of directors, officers, members, agents, employees, contractors, and personnel (the "Indemnitees") from and against any and all claims, demands, suits, actions, losses, expenses, costs (including reasonable attorney fees), obligations, damages, deficiencies, penalties, causes of action and liabilities (collectively, "Claims") incurred by Company as a result of, or that are proximately caused by any breach of, the duties and obligations of Agent hereunder. Company shall provide to Agent prompt written notice of relevant information and reasonable assistance (at Agent's expense) as may reasonably be requested by Agent in connection with the defense of any Claim. Notwithstanding the foregoing, Agent shall not settle any Claim without the consent of Company, which consent shall not be unreasonably withheld.

11.6 Termination.

In addition to any other grounds for termination in the Agent Agreement, Company may immediately terminate the Agent Agreement and any other contracts between Company and Agent if it determines that Agent has violated any material requirements of applicable state or federal law or this Agreement. Alternatively, at the discretion of Company, Company may grant to Agent a reasonable time in which to cure any such violations to the reasonable satisfaction of Company. The duties and obligations of Agent under this Agreement shall continue in effect notwithstanding any such termination.

11.7 Miscellaneous.

- (a) Notices. Any notices to be provided hereunder shall be delivered in writing or electronically as follows:

If to Company:	If to Agent:
Privacy Site Official	(Agents Address of Record)
Continental General Insurance Company	
8901 Indian Hills Drive	
Omaha, NE 68124	

- (a) Amendment. The parties agree to amend this Agreement as necessary to comply with any future amendments or clarifications to HIPAA, USAPA or GLBA.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the day and year indicated on the signature page.

AGENT Date: _____

By: _____

Its: _____

Address: _____

E-mail: _____

QQAGENCY OF OHIO, INC.

By: _____

Its: _____

QQLINK ONLINE WEB HOSTING TERMS AND CONDITIONS

Your access and use of the QQLink Website is subject to: (i) the terms of your Online Sales Agreement with QQAgency of Ohio, Inc., ("QQAgency") an affiliate of QQLink of Ohio, Inc., the owner of this Website, (ii) the following terms and conditions, and (iii) all applicable laws and regulations (collectively, the "Terms of Use"). Please read these terms carefully. If you do not agree with any of these terms or conditions, do not access or otherwise use the QQLink Website or any information contained on the QQLink Website. Your access and use of the QQLink Website constitute your agreement to abide by such Terms of Use. If you are dissatisfied with the QQLink Website or any related terms, conditions, rules, policies, guidelines, or practices, your sole and exclusive remedy is to discontinue using the QQLink Website.

1. DEFINITIONS. As used in this Terms of Use and in addition to any other terms defined herein, the capitalized terms used herein will have the meanings set forth below and at the end of these terms and conditions.

"Insurance Company" means each insurance company: (i) QQAgency represents for the sale of one or more Online Products or other insurance products ("Other Products"), and (ii) with whom Agent has been appointed.

"QQLink Website" means the Internet-based QQLink software and related services provided by QQLink that are accessible via a Web browser through the Internet, and all computer programming/formatting code or operating instructions used to create any portion of the website, incorporated into the website, or used to operate the website, and specifically includes, but is not limited to, any files necessary to make forms, buttons, check-boxes, and similar functions and underlying technology or components, such as animation templates, interface programs which link multimedia and other programs, customized graphics, manipulation engines, and menu utilities, whether in database form or dynamically driven.

"Term" means the time you may use the QQLink Website, which shall commence on the Effective Date of the Online Sales Agreement and continue thereafter for a period of two (2) years ("Term"). The term of these Terms of Use shall automatically renew for additional successive terms of one (1) year (each a "Renewal Term"). These Terms of Use shall end on the earlier of: (i) your breach of these Terms of Use, (ii) termination of your Online Sales Agreement for any reason, or (iii) your failure to timely pay the Access Fee.

2. WEBSITE ACCESS.

2.1 Subject to this Terms of Use, QQLink grants to you a limited, non-exclusive, non-transferable and world-wide license to access and use the QQLink Website during the Term via a Web browser over the Internet for the sole purpose of soliciting Online Sales.

2.2 The QQLink Website is confidential and proprietary information of QQLink and QQLink's licensors and embodies trade secrets and intellectual property protected under United States copyright laws, other laws, and international treaty provisions. All right, title, and interest in and to the QQLink Website (in object code and source code form), including associated intellectual property rights, are and shall remain with QQLink and its licensors. You may not translate, decompile, reverse engineer, distribute, remarket, or otherwise dispose of the QQLink Website or any part thereof.

2.3 You may not remove any proprietary notices of QQLink or third parties found in or on the QQLink Website. You will have no right of ownership in the QQLink Website, or any intellectual property rights in the QQLink Website. No license other than that specifically stated herein is granted to you.

2.4 QQLink may provide links on the QQLink Website to other websites which are not under our control. In general, any website which has an address (or URL) which does not contain "QQLink.com," "QQLink.net," "QQLink.cc," or "QQ" is such a website. These links are provided for convenience only and are not intended as an endorsement by QQLink of the organization or individual operating the website or a warranty of any type regarding the website or the information on the website.

3. PAYMENTS. For your access to the QQLink Website, you will pay QQLink a monthly fee (the "Access Fee") during the Term. Effective January 1, 2001, the initial monthly access fee shall be \$29.95. QQLink may adjust the Access Fee upon notice to you. You shall remain obligated to pay the then-current Access Fee through and until the end of the Term or any then-current Renewal Term, including if, prior to the end of the Term or any then-current Renewal Term, QQAgency terminates the Online Sales Agreement or these Terms of Use due to any the following reasons: (i) breach by you, (ii) insolvency, bankruptcy, dissolution, assignment for the benefit of creditors, reorganization or similar proceedings by or against you, (iii) you plead guilty, with or without admitting guilt, plead nolo contendere, or are convicted of a misdemeanor

involving fraud or moral turpitude or of a felony, (iv) you commit a fraudulent or dishonest act against QQAgency, QQLink or any of their affiliates, agents or customers, or (v) you engage in any illegal or other activities that may be harmful or potentially harmful to QQAgency, QQLink or any of their affiliates. You acknowledge and agree that QQAgency and Continental General Insurance Company may offset any payment due you, whether arising out of the Online Sales Agreement, the Terms of Use or otherwise, against any past, present or future debts or other amounts that you owe QQAgency, QQLink or any of their affiliates, whether arising out of the Online Sales Agreement, the Terms of Use or otherwise.

4. HARDWARE REQUIREMENTS. You will need the equipment and Internet access described in the Hardware Requirements Schedule to use the QQLink Website. Acquiring, installing, maintaining and operating equipment and Internet access is solely your responsibility.

5. MONITORING THE SERVICES. QQLink has no obligation to monitor the services, but may do so and disclose information regarding use of the services for any reason if QQLink, in its sole discretion, believes that it is reasonable to do so, including to: satisfy laws, regulations, or governmental or legal requests; operate the services properly; or protect itself and its other users. Please see our Privacy Policy. QQLink may immediately remove your material or information from QQLink's servers, in whole or in part, which QQLink, in its sole and absolute discretion, determines to infringe another's property rights or to violate our acceptable use policy.

6. DATA SECURITY. The QQLink Website includes those features described in the Data Security Schedule that are designed to assist in protecting the security and integrity of your data. QQLink may change these features from time to time; provided, however, that such changes do not decrease the level of security described in the aforementioned Schedule. You acknowledge that your own protection of your passwords is an integral part of maintaining the security and integrity of your data.

7. YOUR RESPONSIBILITIES.

7.1 You are responsible for maintaining the accuracy of all information you input into your Agent's Website or the QQLink Website. You will promptly inform QQLink if you suspect a defect in the QQLink Website that may be affecting your data.

7.2 You agree not to utilize the QQLink Website or your Agent's Website for any activities that: (i) constitute or encourage a violation of any law or regulation, (ii) defame, impersonate or invade the privacy of any third party or entity, (iii) infringe the rights of any third party or entity, (iv) involve the display, sale, distribution or creation of any pornographic, obscene or otherwise offensive goods, services, material or ideas, or (v) promote violence or discrimination based on race, sex, religion, nationality, disability, sexual orientation or age.

7.3 You agree not to utilize the QQLink Website or your Agent's Website to (i) harass, or (ii) transmit any unsolicited commercial e-mail or unsolicited bulk e-mail.

7.4 You alone are responsible for all activities under your username and password and for ensuring that you exit or log off from your account at the end of each session. You shall notify QQLink immediately of any unauthorized use of your account or any other breach of security that you know of or suspect.

8. UPTIME COMMITMENT.

8.1 The QQLink Website will be made available to you twenty-four hours a day, seven days a week less: (i) scheduled network, hardware or service maintenance, (ii) the acts or omissions of you or your employees, agents,

contractors, vendors, sub-producers or anyone gaining access to the QQLink Website by means of your account, (iii) a failure of the Internet and/or the public switched telephone network, or (iv) the occurrence of any event that is beyond QQLink's reasonable control (collectively, the "Excusable Downtime"). QQLink will use all commercially reasonable efforts to make the QQLink Website available to you at least 95% of the time during each month, excluding Excusable Downtime ("Uptime Commitment"); provided that you satisfy the hardware and communication requirements set forth in the Hardware Requirements Schedule.

8.2 If QQLink fails to satisfy the Uptime Commitment during a month, then you will be eligible for a credit for a pro-rated portion of the Access Fee in the first month of the next succeeding calendar quarter following the failure. For purposes of this Section, "pro-rated portion of the Access Fee" means the product obtained by multiplying the applicable Access Fee during the month of the failure by a fraction, the numerator of which will be the number of hours that the QQLink Website did not satisfy the Uptime Commitment, and the denominator of which will be the total number of hours during the applicable month less Excusable Downtime. The foregoing refund will be your sole and exclusive remedy for QQLink's failure to comply with the Uptime Commitment in this Section.

9. QQLINK LIMITED WARRANTIES AND INDEMNIFICATION.

9.1 You acknowledge that the QQLink Software may contain certain non-conformities and that access to the QQLink Website may, for reasons beyond the control of QQLink, not be available or may be diminished. The services provided hereunder and access to the QQLink Website are provided on an "AS-IS" basis.

9.2 QQLink represents and warrants that it either owns or has the right to grant the licenses set forth herein and that the QQLink Website does not infringe any third party intellectual property rights enforceable in the United States. QQLink's sole liability for any breach of the foregoing representations will be to defend you against a claim that the QQLink Website infringes a third party's intellectual property rights enforceable in the United States (individually, an "Indemnified Claim" and collectively, the "Indemnified Claims"). The indemnification set forth in this Section is contingent upon your promptly notifying QQLink of an Indemnified Claim, QQLink having the sole authority to defend or settle the Indemnified Claim, and QQLink receiving your reasonable assistance in connection therewith at QQLink's expense. Notwithstanding the foregoing, QQLink will have no indemnification obligation hereunder with respect to any claim based on: (i) use of the QQLink Website except in accordance with this Agreement and QQLink's written instructions, (ii) the combination of the QQLink Website with any other software or hardware, (iii) modifications of the QQLink Website not made by QQLink, or (iv) your failure to implement changes recommended by QQLink if the infringement would have been avoided in the absence of your failure to implement QQLink's recommended changes. If the QQLink Website is finally determined by a court of competent jurisdiction to constitute an infringement of a third party's intellectual property rights enforceable in the United States and your use of the QQLink Website is enjoined, QQLink will either: (i) procure the right for you to continue to use the QQLink Website as contemplated hereunder, or (ii) replace or modify the QQLink Website with a version thereof that is not infringing. If QQLink determines that none of the above alternatives are reasonably available, you agree that QQLink may terminate access to the QQLink Website within five (5) business days after QQLink's written request. This Section states the entire liability of QQLink with respect to infringement of a third party's intellectual property rights by the QQLink Website and QQLink will have no additional liability with respect to any alleged or proven infringement.

10. YOU WARRANT TO QQLINK. You represent and warrant that: (i) you are the owner, valid licensee, or authorized user of all data provided to QQLink via the QQLink Website from whatever source, and (ii) the use of your data by QQLink as discussed herein will not infringe the intellectual property rights of any third party or constitute a defamation, invasion of privacy, or violation of any right of publicity or other third party right. You will indemnify and hold QQLink harmless from and against any and all losses, costs, expenses (including attorneys' fees and expenses), claims, liabilities, or damages of any kind incurred or suffered by QQLink which result from or arise out of any claim or liability arising as a result, in whole or in part, of a breach of this Section.

11. DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY INDICATED IN SECTIONS 9 AND 10 NEITHER PARTY MAKES ANY EXPRESS OR IMPLIED WARRANTIES, CONDITIONS OR REPRESENTATIONS TO THE OTHER PARTY WITH RESPECT TO THE QQLINK WEBSITE OR THE SERVICES PROVIDED HEREUNDER OR OTHERWISE, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITING THE FORE-GOING, ANY IMPLIED WARRANTY, INCLUDING THOSE RELATING TO CONDITION OR MERCHANTABILITY, AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER IMPLIED WARRANTIES, ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

12. LIMITED LIABILITY.

12.1 YOU AGREE THAT QQLINK AND ITS AFFILIATES', CERES GROUP INC., INSURANCE COMPANY, OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS, LICENSORS, OR REPRESENTATIVES WILL NOT BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES OR COSTS INCURRED AS A RESULT OF LOSS OF TIME, LOSS OF SAVINGS, LOSS OF DATA, LOSS OF PROFITS, OR LOSS OF GOODWILL, WHETHER FORESEEABLE OR UNFORESEEABLE, THAT MAY ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, DAMAGES OR COSTS RESULTING FROM THE USE, ACCESS OR INABILITY TO USE THE QQLINK WEBSITE OR SERVICES, EVEN IF QQLINK HAS BEEN NOTIFIED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES OR COSTS OCCURRING, AND WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE.

12.2 IN NO EVENT WILL THE COLLECTIVE LIABILITY OF QQLINK AND QQLINK'S AFFILIATES FOR ANY DAMAGES INCURRED BY YOU OR ANY OTHER PERSON EVER EXCEED THE ACCESS FEES RECEIVED FROM YOU BY QQLINK UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRIOR TO THE TIME AT WHICH THE DAMAGES AROSE REGARDLESS OF THE FORM OF ACTION, WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE.

13. ARBITRATION. Any dispute arising out of or related in any manner to this Agreement shall be settled by arbitration in accordance with the rules and regulations of the American Arbitration Association and with the Ohio Rev. Code, §2711 et. al., and judgement on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If a dispute arises which the parties in good faith cannot settle, either party may within six (6) months from the alleged breach or occurrence resulting in the dispute make a demand for arbitration by filing a demand in writing with the other party and serving same by depositing it in the U.S. mail, return receipt requested. QQLink/QQAgency and Agent shall each choose, within thirty (30) days after demand for arbitration is mailed an arbitrator and the two appointed arbitrators shall choose a third arbitrator. Each of the parties hereby irrevocably waives punitive, exemplary, consequential and other non-compensatory damages in connection with any arbitration award with respect to the dispute.

14. MISCELLANEOUS. This Agreement, the Online Sales Agreement, and QQLink's other user policies posted on QQLink's Website constitute the entire agreement between you and QQLink with respect to your use of the QQLink Website, and supercede and merge all prior agreements relating hereto. QQLink may revise, amend, or modify these Terms of Use and any other user policies and agreements, at any time and in any manner. Notice of any revision, amendment, or modification will be posted on QQLink's Website (<http://www.qqlink.com>) and/or on user's start pages and/or by e-mail and/or in our various publications and mailings to users.

CONTINENTAL GENERAL INSURANCE COMPANY COMPLIANCE MANUAL

Insurance coverage in our society has always been an important element in individual and family protection. More recently insurance is seen as a necessity, and for that reason the insurance industry is open to increased scrutiny. Government regulatory agencies in conjunction with the courts impose a duty and a responsibility on agents and insurers to conduct their business in accordance with current rules and laws. As a responsible company we will continue to comply with these obligations. Failure to do so may result in fines, penalties, agent investigations, market conduct examinations, litigation, and revocation or suspension of license to do business.

Continental General Insurance Company (CGI) feels that customer satisfaction is of the utmost importance. Providing excellent customer service and following ethical sales practices will not only reduce consumer and Department of Insurance complaints, cancellations and rejections, and eliminate fines and litigation, but will lead to additional sales and loyalty to the agent and CGI. You and CGI can maintain a reputable industry standing by satisfying the customer and by strictly following state and federal requirements, as well as the guidelines provided to you by CGI.

The purpose of this Compliance Manual (the Manual) is to apprise you, the agent, of your responsibilities and help you comply with the law. This Manual is provided as an educational and training device to assist you in proper marketing and solicitation procedures. CGI will update this Manual periodically, as necessary. Updated material will take the form of Memorandums from the Compliance Department and material which may be found within the Company agent newsletter, The Compass. The Compliance Department will distribute this updated material to you when applicable. The updated material should then be incorporated into your Compliance Manual.

1. STATEMENT OF ETHICS. As a representative of CGI, you hold a high position of responsibility and trust. Your clients trust you to act in their best interest. CGI trusts you to act with honesty and integrity in all your business dealings.

CGI believes two very important elements contribute to the definition of "Ethics": (1) a compliance-based standard which is based on incentives, audits, and controls; and (2) a personal values standard based on self-control and responsible action.

CGI believes it is your responsibility to:

- ✓ engage and conduct any business or professional activity **honestly**.
- ✓ have the knowledge, practical skill and ability to exercise thoroughness in order to demonstrate **competency** in insurance.
- ✓ exercise **diligence** in carrying out your responsibilities to your client and advising your client promptly of any noncompliance, error, or omission which you know about.
- ✓ keep your client's information **confidential**.
- ✓ inform your client of any potential **conflict of interest** which may compromise your agent-client relationship.
- ✓ act in a **courteous** manner not only to your clients but to other professionals within the insurance industry.
- ✓ act with high **public regard** by following the laws applicable to your business and professional activities.
- ✓ **avoid** those who are deficient in moral character or professional competence and whose actions may cause financial harm to your clients.

We encourage you to join local life and/or health underwriter associations and to further your insurance education and understanding through the many industry courses available from various entities.

A Statement of Principle: Continental General has a high commitment to certain principles. In the words of our founder, Herman E. Myers, Jr.:

"Every product we market must pass this test: 'Would we sell it to our family, would we sell it to our friends?' No product will reach the market unless we can answer yes to these questions."

This basic principle of product design carries over to our commitment to a high level of service and to the way we expect our products to be marketed and serviced by the agent. Specifically, we expect agents to sell our products to their clients with the same care and concern that they would use in selling those products to their family and friends and to provide the same service levels they would to family and friends.

Following this simple guideline goes a long way towards doing what is right and towards establishing a level of commitment, confidence and trust.

This guideline involves:

- always practicing needs-based selling. This means putting in the time and effort required to understand your individual client's needs and goals; and selling products that address those needs.
- meeting all requirements of the law and regulations relative to sales practices, advertising, solicitations and replacement sales. We work hard to maintain compliance in the home office and in the field.
- maintaining our insureds' trust over the long term with service after the sale and building their confidence in the company and the agent.

These are the principles we practice every day, and we will work to maintain these principles in the years to come. Working together, we must have a mutual commitment to help our clients satisfy their insurance needs with our products.

2. LICENSING. The law requires you to have a valid state license to sell insurance products. In order to obtain a license, you must satisfy the state licensing requirements.

In addition, you must be appointed by Continental General Insurance Company before you may represent CGI in the sale of any of its products.

CGI cannot pay you for any sales you or your subagent makes unless you hold a current valid state license (resident or nonresident license) and an appointment to sell the products of CGI.

It is your responsibility to insure that continuing education requirements in your state are met and that your licenses are renewed in a timely manner.

3. ADVERTISING. Any advertisement, as defined below, including recruiting advertisements, must be submitted to and approved by the home office prior to the advertisement being printed or used. Several internal departments including the Compliance Department will review the specific advertising regulations for the particular state(s) in order to assure compliance and to avoid penalties resulting from the improper use of an advertising piece. Advertising materials submitted will be reviewed within five (5) working days of receipt. After making any changes to an advertising piece, as suggested by the Compliance Department, the advertisement must be submitted in its final format. The original final approved version of every advertisement will be maintained in the home office, in accordance with state laws.

There are certain states and products that require an advertisement to be filed and approved by the state Department of Insurance prior to its use. The home office is responsible for filing and obtaining approval of all such advertisements. When required, no advertisement may be used until state approval has been obtained.

A. Definition of Advertisement: The term advertisement means material designed to create public interest in insurance products or an insurer or to induce the public to purchase, increase, modify, reinstate, or retain a policy. The definition of advertisement includes:

1. Printed and published material, audio visual material and descriptive literature of an insurer used in direct mail, newspapers, magazines, radio scripts, television scripts, billboards, Internet websites and similar displays; and
2. Descriptive literature and sales aids of all kinds issued by an insurer, agent, producer, broker or solicitor for presentation to members of the insurance-buying public and including, but not limited to, circulars, leaflets, booklets, depictions, illustrations, form letters and lead-generating devices of all kinds; and
3. Prepared materials for use by agents, brokers, producers, and solicitors whether prepared by the insurer or the agent, broker, producer or solicitor; and
4. Material used for the recruitment, training and education of an insurer's sales personnel, agents, solicitors and brokers which is designed to be used or is used to induce the public to purchase, increase, modify, reinstate or retain a policy; and

5. Material included with a policy when a policy is delivered and material used in the solicitation of renewal and reinstatements.

B. Three Categories of Advertisements: The three main categories of advertisements considered by CGI are as follows:

1. Institutional Advertisement — Any form of advertisement that promotes only the name and/or financial standing of an insurance company or agency.
2. Invitation to Inquire — Flyers with the Company's or Agency's phone number and/or address, anything with a response card, lead generating devices, audio and/or visual advertisements giving the Company's or Agency's phone number and/or address.
3. Invitation to Contract — Brochures, sales kits, etc.

Again, it is the home office's responsibility to be aware of the advertising requirements of each state and to insure the proper compliance with these requirements. **Therefore, all advertising material must be submitted to and approved by the home office prior to its printing or use.**

C. Recruiting Advertisements: Recruiting advertisements include anything in a newspaper, magazine, newsletter, etc. advertising a position with a company. Also such advertisements must be submitted to and approved by the home office prior to its use.

D. Testimonials/Claim Vouchers: Testimonials must be genuine, represent the current opinion of the author, be applicable to the policy being solicited and/or advertised. They must be accurately reproduced and be no more than one year old.

Testimonials and/or Claim Checks can be used in the presentation and in advertising as long as state regulatory requirements have been met and they have the home office's prior written approval.

4. SOLICITATION.

A. Training: All material used for CGI product training must be approved by the home office prior to its use. Training materials include, but are not limited to, video tapes, brochures, "product information" sheets, sales kits, all printed training materials and materials presented over the Internet.

B. Presentations: Once you have obtained the appropriate state license, and have been properly appointed by CGI, you will be ready to present CGI product information.

1. You must first identify yourself as an insurance agent giving your full name. Before completing the application for CGI, you must identify yourself as an agent appointed with CGI.
2. When making the sales presentation, you must conduct yourself at all times in an ethical manner. You must not violate your state's **Unfair Trade Practices Act**. This Act's restrictions include, but are not limited to, the following:

a. Both Life and Accident and Health Sales:

- You cannot make any misrepresentative, misleading, false, or deceptive statements.
- You cannot use words or phrases which exaggerate any benefits or limitations, exceptions or reductions of benefits.
- You cannot describe any policy provision or benefit without fairly and accurately describing the limitations, exceptions or reductions of benefits.
- You cannot use words or phrases which could cause the applicant to believe that a profit might be made from being hospitalized.
- You cannot use insurance words, phrases, or other insurance jargon, if using them would tend to mislead or deceive the applicant.
- You cannot make any unfair or incomplete comparison of other insurers, their policies, benefits, agents, services, method of marketing or compare unlike policies.
- You cannot make an impression to prospective insureds that the insurance product is endorsed or accredited by any division or agency of the state or federal government.

- You cannot represent that the insurance product is an introductory, initial or special offer or that the applicants will receive substantial advantages given only to a specified group of individuals, unless such is a fact.
- You are prohibited from making any statement or implication to the effect that only a specific number of policies will be sold or that it will be sold for a limited time period, unless such is a fact.
- When you establish contact with a person as a result of acquiring that person's name from a lead generating device, you shall also disclose that fact in the initial contact with the person.
- You cannot use the existence of any state's Guaranty Association for the purpose of inducing the purchase of insurance.
- You cannot make disparaging, misleading, derogatory, false, or maliciously critical statements about another insurance company, its marketing methods or its agents. This includes repeating market rumors or questioning a competitor's financial condition or solvency.

b. Specific to Life Sales:

- You should always practice needs-based selling.
- You cannot knowingly lead applicants to believe they will receive something other than life insurance. You must always identify the product as **"life insurance."** You cannot specifically refer to the product as a retirement plan.
- You cannot identify yourself as an estate planner, financial planner, investment advisor or financial consultant unless you are so designated.
- You cannot present policy cash values showing guaranteed and nonguaranteed elements unless these cash values are shown with equal prominence and are contained within the same policy presentation. Notations which you make on any illustrations must highlight guaranteed values equally with current values.
- You cannot compare life insurance policies or cash values to **savings, savings accounts, stocks, bonds, or any other financial instrument or investment** in such a way as may mislead a person as to the true nature of life insurance, surrender values or other policy benefits.
- You cannot use terms such as **"deposit," "deposit premium," "investment,"** or other such misleading or confusing terms when referring to amounts which are in fact premiums for life insurance coverage.
- You cannot use life insurance indexes which are misleading to compare life insurance policies.

c. Specific to Health Sales:

- You cannot stack one health policy on top of another health policy so as to create an over-insurance situation. And, a senior citizen is limited to only one Medicare Supplement Policy.
- You must disclose the limitations, exclusions and terms of renewability when going over the policy benefits with the applicant.

C. Appropriateness of Coverage: In determining the needs of a prospect for insurance coverage, you must fully and completely develop the appropriateness of coverage either being requested or being presented.

Determining appropriateness of coverage for a prospect's needs is always important, but it is especially so when dealing with the insurance needs of your elderly clients.

D. Application: The application is a part of the insurance contract. The issuance of the policy is affected by the answers to the questions on the application. If the answers are incorrect, incomplete, or untrue, CGI has the right to deny benefits or rescind coverage. Therefore, it is important that the application be filled out completely and accurately.

1. An application must be completed in the presence of the applicant, using the information the applicant provides unless specific underwriting guidelines suggest otherwise.
2. All required signatures must be present on the application and the signatures must be at the appropriate location. You must witness the applicant's signature when required by CGI's underwriting requirements.

3. Any change made on the application must be initialed **by the applicant** at the time the application is taken. "Whiteouts" or similar alterations are not acceptable and will result in a delay in processing the application. In addition, the agent may have to obtain the ratification of any change to the application when the policy is delivered.
4. Processing of the application will be delayed or "rejected" if there are questions left unanswered or if all required documents are not submitted with the application. "Rejected" means that the application will not be processed and the premium will be immediately returned to the applicant. The agent will then need to resubmit the application to CGI with the completed information and/or required documents.
5. Where a conditional receipt is required, you must fully explain the terms of the conditional receipt prior to leaving it with the applicant.

E. Forms/notices given to the applicant at the time of application (when required by law): The following information serves only to identify common items usually given to the proposed insureds at the time of application. Often the language and format of the form or notice varies from state to state. It is, therefore, important for you to consult with the home office or with CGI's website (<http://www.continentalgeneral.com/>) if in doubt about those forms and notices required in your state.

Important — Extraneous marks or highlighting on these forms or any sales material should be avoided.

1. Accident and Health Sales:
 - a. Outline of Coverage
 - b. Buyers Guide
 - c. Replacement Notice
 - d. Underwriting Authorization to Obtain and Disclose Information
 - e. AIDS/HIV Consent Form
2. Life Insurance Sales:
 - a. Sales Illustrations
 - b. Life Insurance Buyers Guide
 - c. Statement of Policy Costs and Benefits Information
 - d. Replacement Notice
 - e. AIDS/HIV Consent Form
 - f. Underwriting Authorization to Obtain and Disclose Information

5. REPLACEMENT REQUIREMENTS. Replacement means that an existing life, accident and health insurance policy or annuity policy will be surrendered, lapsed, placed on paid-up basis or borrowed against, placed on Extended Term Insurance (ETI), or otherwise reduced in value in order to purchase the coverage for which the application is being taken.

A. Replacement Disclosure Requirements: Be sure to answer all relevant questions on the application to determine if replacement is involved. If yes, provide any necessary replacement notices in order to meet the specific state disclosure requirements for your state. This information can be obtained from the home office or from CGI's website (<http://www.continentalgeneral.com/>).

B. Twisting: **Twisting is strictly prohibited in all states.** Twisting is the practice of misrepresenting a policy or misstating the facts or giving an incomplete comparison of policies to induce the insured to give up a policy in one company for the purpose of taking insurance with another company.

C. Churning: Churning is the practice of inducing a CGI insured or annuitant to purchase a new life insurance or annuity policy using values of an existing CGI life insurance policy or annuity policy, including cash values, loan values, or dividend values. This is done for the specific purpose of earning new first year commission, or other compensation and results in no economic benefit to the insured or annuitant.

CGI does not condone "churning."

6. CLAIMS. In order for CGI to comply with the requirements of the **Unfair Claims Settlement Practices Act**, which all states have adopted in some form, you are required to follow certain procedures so that the home office can process claims in an efficient, timely, and compliant manner.

A. Proper Claims Practice:

You must adhere to the following procedures:

1. All claim questions, material and information given to you by the policyholder must be reported and/or submitted to the home office Benefits Department within 24 hours of receipt of the information. All notifications of claim are recorded in order to assure that CGI complies with state regulatory requirements, which state generally that the company must acknowledge a claim within 15 days of notification.
2. You **must not** commit CGI to the payment of a claim by promising that a claimant will receive a certain benefit amount or coverage. The claimant must be referred to the home office concerning these matters.
3. All claim forms must be ordered from the home office.
4. All claim forms must be fully completed by the policyholder and returned to CGI's home office in Omaha, Nebraska by the policyholder or you.
 - a. It is the policyholder's responsibility to collect and submit all information requested by the home office Benefits Department. This includes taking the Attending Physician's Statement form to the policyholder's physician, obtaining requested information, etc.
 - b. Any questions the policyholder may have during this process should be directed to the home office. Always refer the policyholder to the Benefits Department, as necessary.

B. Improper Claims Practice: Any of the following acts constitute an improper claims practice. They include, but are not limited to, the following:

1. Knowingly misrepresenting to claimants and insureds relevant facts or policy provisions relating to the coverage at issue;
2. Failing to inform CGI's home office, with reasonable promptness as specified above, of pertinent communications with respect to claims arising under CGI's policies;
3. Attempting to settle a claim instead of referring the claimant to CGI's home office;
4. Advising the policyholder to submit false claims to the company;
5. Altering a claim form or other forms submitted with a claim.

7. COMPLAINT HANDLING PROCEDURE. Consumer and Insurance Department complaints are to be handled by CGI's Corporate Services Department. CGI's Corporate Services Department will gather all the necessary information and respond to all complaints.

1. This department also will keep track of complaints by state, agent, and nature of the complaint in order to detect, correct, and monitor problem areas or trends.
2. Most states require your statement relating to each complaint. Most states have requirements that insurers respond to them within a certain period of time, which may vary from 7 to 15 days. Therefore, when your statement is requested by the Corporate Services Department, it must be signed, dated and returned promptly within the time frame requested. Please remember that facsimiles or copies are not adequate.

If you are served with any legal summons or lawsuit or receive a complaint from a client, please provide written notification directly to the home office via fax or overnight mail, to the attention of our Corporate Services Department.

8. DISCIPLINARY ACTION. This Manual contains rules and procedures which, under the terms of your agreement with CGI you are expected to follow while acting as an appointed representative of the company. Failure to comply with the items contained within this Manual will subject you to disciplinary action as specified in your Agent Agreement.

In addition, when required by law, CGI will report either to the state insurance department or to local law enforcement agencies your activities that CGI reasonably suspects to be violation of law.

9. ADDITIONAL REQUIREMENTS. Changes in state insurance laws and regulations occur frequently and the requirements outlined in this Compliance Manual may change accordingly. The home office will advise you of these changes as soon as possible. Therefore, it is your responsibility to follow the new requirements and/or to use the latest addition of any applicable forms.

A Summary of Your Rights Under the Fair Credit Reporting Act

The Fair Credit Reporting Act (FCRA) is designed to promote accuracy, fairness and privacy of information in the files of every "consumer reporting agency (CRA). Most CRAs are credit bureaus that gather and sell information about you – such as where you work and live, if you pay your bills on time, and whether you've been sued, arrested, or filed for bankruptcy – to creditors, employers and other businesses. The FCRA gives you the specific rights in dealing with the CRAs, and requires them to provide you with a summary of these rights as listed below. You can find the complete text of the FCRA, 15 U.S.C. 1681 et seq., at the Federal Trade Commission's web site (<http://www.ftc.gov>).

- You must be told if information in your file has been used against you. Anyone who uses information from a CRA to take action against you – such as denying an application for credit, insurance or employment – must give you the name, address and phone number of the CRA that provided the report.
- You can find out what is in your file. A CRA must give you all the information in your file, and list of everyone who has requested it recently. However, you are not entitled to a "risk score" or a "credit score" that is based on the information in your file. There is no charge for the report if your application was denied because of information supplied by the CRA, and if you request the report within 60 days of receiving the denial notice. You are also entitled to one free report a year if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare, or (3) your report is inaccurate due to fraud. Otherwise, a CRA may charge you a fee of up to eight dollars.
- You can dispute inaccurate information with the CRA. If you tell a CRA that your file contains inaccurate information, the CRA must reinvestigate the items (usually within 30 days) unless your dispute is frivolous. The CRA must pass along to its source all relevant information you provided. The CRA also must supply you with written results of the investigation and a copy of your report, if it has changed. If an item is altered or deleted because of your dispute it, the CRA cannot place it back in your file unless the source of the information verifies its accuracy and completeness, and the CRA provides you a written notice that includes the name, address and phone number of the source.
- Inaccurate information must be deleted. A CRA must remove inaccurate information from its files, usually within 30 days after you dispute its accuracy. The largest credit bureaus must notify other national CRAs if items are altered or deleted. However, the CRA is not required to remove data from your file that is accurate unless it is outdated or cannot be verified.
- You can dispute inaccurate items with the source of the information. If you tell anyone – such as a creditor who reports to a CRA – that you dispute an item, they may not then report the information to the CRA without including a notice of your dispute. In addition, once you've notified the source of an error in writing, they may not continue to report it if it is in fact an error.
- Outdated information may not be reported. In most cases, a CRA may not report negative information that is more than seven years old; ten years for bankruptcies. Access to your file is limited. A CRA may provide information about you only to those who have a need recognized by the FCRA – usually to consider an application you have submitted to a creditor, insurer, employer, landlord or other business.
- Your consent is required for reports that are provided to employers or that contain medical information. A CRA may not be reported to your employer, or prospective employer, about you without your written consent. A CRA may not divulge medical information about you without your permission.
- You can stop a CRA from including you on lists for unsolicited credit and insurance offers. Creditors and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance. Such offers must include a toll-free number you can call and tell the CRA if you want your name and address excluded from future lists or offers. If you notify the CRA through the toll-free number, it must keep you off the lists for two years. If you request and complete the CRA form provided for this purpose, you can have your name and address removed indefinitely.
- You may seek damages from violators. You may sue CRA or other party in state or federal court for violations of the FCRA. If you win, the defendant may have to pay damages and reimburse you for attorney may have to pay the defendant's fees.

You have additional rights under state law. You may wish to contact a State or local consumer protection agency or a state Attorney General to learn those rights.

If you have questions or believe your file contains errors, call our toll-free number. The FCRA give several different Federal agencies authority to enforce the FCRA: For QUESTIONS OR CONCERNS REGARDING CRAs, creditors and others,

PLEASE CONTACT: Federal Trade Commission Bureau of Consumer Protection – FCRA - Washington, DC 20580

EQUIPMENT AND INTERNET ACCESS REQUIREMENTS

Supported Platforms:

- Windows NT, Windows 98, Windows 95
- Macintosh (MacOS) 7.1 and greater

Software Specifications for all Platforms:

- Recommended Browser: Netscape Communicator 4.5. or Microsoft Internet Explorer 4.01 with Service Pack 1 (SP1)

PLATFORM	HARDWARE SPECIFICATIONS							
	Processor		Memory (RAM)		Hard Disk Space (Install)		Modem Speed	
	Minimum	Recommended	Minimum	Recommended	Minimum	Recommended	Minimum	Recommended
Windows 95, 98, NT	Pentium 90+	Pentium 133+	16 MB	32 MB+	50 MB	100 MB	28.8 bps	55.6 bps +
Macintosh	68030	68030+	16 MB	28 MB	50 MB	73 MB		

- Connectivity Requirements:
- As referenced above, users must have Netscape 4.5 or higher and at least a 28.8 dial up modem
- Users with dial up access should be connecting through an Internet service provider, and not through an online service such as AOL, CompuServe, and/or Prodigy.
- Users should also have a dedicated phone line for Internet access.