

TRIPLE CHOICE

Dental Plan

*Companion Life
Agent Agreement Kit*

Beta Health Association, Inc.

"Dental Plan Specialists since 1990"

970-683-5424 (Grand Junction) 970-947-9492 (Glenwood Springs)
719-545-3652 (Pueblo)
303-744-3007 or 1-800-807-0706 (Corporate Office)

www.betadental.com

Beta Health Association, Inc.

"Dental Plan Specialists Since 1990"

Companion Life Agent Agreement Kit

Licensing Guidelines

The following agent contracts must be completed (in entirety) to successfully be licensed with both Securian Dental and Beta Health Association, Inc.

Licensing for Companion Life

- Commission Agreement (#95122)
- Agreement with business associate addendum
- Agent License
- Agency License (if applicable)

Licensing for Beta Health Association, Inc.

- Independent Contractors Sales Representation Agreement
- Agent License
- Agency License (if applicable)

Please be sure ALL paperwork is properly completed. The above forms do not need to be submitted until your first business is ready for processing.

Beta Health Association, Inc.

“Dental Plan Specialists Since 1990”

Agent Licensing for

Companion Life Insurance Company



GROUP INSURANCE MULTIPLE CASE COMMISSION AGREEMENT
Beta Health

Companion Life Insurance Company (Companion) agrees to pay commissions to the Agent in accordance with the following group insurance premiums reported and paid to Companion at its home office in Columbia, South Carolina, on applications for group coverages.

COMMISSION SCHEDULES

		Percent of Premiums	
		First Year	Renewal
I.	True Group Long Term Disability, 10 Plus		
	Portion of Yearly Premium which is:		
	First \$10,000 of Annual Premium	12.0%	12.0%
	Next \$15,000 of Annual Premium	8.0	8.0
	Next \$25,000 of Annual Premium	4.0	4.0
	All Annual Premiums in Excess of \$50,000	0.5	0.5
II.	True Group Life, AD&D, & Weekly Income, 10 Plus		
	Portion of Yearly Premium which is:		
	First \$10,000 of Annual Premium	10.0%	10.0%
	Next \$15,000 of Annual Premium	6.0	6.0
	Next \$25,000 of Annual Premium	4.0	4.0
	All Annual Premiums in Excess of \$50,000	0.5	0.5
III.	Companion Business Plan Life, Weekly Income, & Long Term Disability, 2-9 Employees	12.0%	12.0%
IV.	All Group Dental (Dental by Design, 2-9 lives and voluntary)	7.0%	7.0%
V.	Companion Life Voluntary Life, STD, LTD	12.0%	12.0%
VI.	Vision by Design	10.0%	10.0%

Such commissions shall be payable as long as Companion retains the coverages (such retention being optional with Companion), but such payment shall be subject to and contingent upon (a) continuance of the Agent as the Agent of Record (as accepted by Companion); (b) continued reasonable servicing of the policyholders and cooperation with Companion by the Agent; (c) applicable laws or rulings of Insurance Departments; (d) compliance by the Agent with the reasonable rules and regulations of Companion; and (e) commission schedules remaining in effect with Companion Life Insurance Company.

If, because of cancellation of a policy, or for any other reason, any premium or premiums paid upon a policy are returned, the Agent, upon demand, shall repay the amount of commission received by him on premiums so returned.

Executed this _____ day of _____, _____.

ACCEPTED FOR AGENT/BROKER

By: _____
(Signature of Agent/Broker)

Name: _____
(Type or Print Name of Agent/Broker)

FOR HOME OFFICE USE ONLY:	
ACCEPTED FOR COMPANION LIFE INSURANCE COMPANY	
By: _____	_____
	<small>(Title: Marketing Officer)</small>
Agent Code: _____	

APPOINTMENT INFORMATION

INSTRUCTIONS TO BECOME APPOINTED & CONTRACTED WITH COMPANION LIFE:

1. Please complete both sides of this form.
2. Attach a photocopy of your current Producer license.
3. If Commissions are being paid to the agency, please attach a photocopy of Agency License.
4. All information **must** be filled in and this form signed and dated before it can be processed.
5. **Please submit these documents with your first Group Case. Thank you.**

NAME _____ NICKNAME _____

BUSINESS NAME _____

BUSINESS OVERNIGHT
MAILING ADDRESS _____
(STREET) (CITY) (STATE) (ZIP)

E-MAIL ADDRESS _____

BUSINESS PHONE () _____ FAX NUMBER () _____

HOME ADDRESS _____
(STREET) (CITY) (STATE) (ZIP)

COUNTY _____

SEND CORRESPONDENCE TO: _____ BUSINESS OR _____ HOME

HOME PHONE () _____

SOCIAL SECURITY NUMBER _____ DATE OF BIRTH _____

IF COMMISSIONS ARE TO BE PAID TO YOUR AGENCY GIVE NAME AND TAX ID _____

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of any felony involving dishonesty or breach of trust? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of a crime involving moral turpitude since becoming licensed? |
| <input type="checkbox"/> | <input type="checkbox"/> | With the exception of credit life and disability insurance agents, are you employed by or associated with any degree directly or indirectly, a financial institution as defined in section 626.988, F.S.? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been convicted of any crime under the Violent Crime Control and Law Enforcement Act of 1994 (18 United States Code, §§1033 and 1034)? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have an outstanding debt with any insurance company? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been bankrupt or insolvent, either personally or professionally? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has an insurance company ever canceled a contract with you? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever had a complaint filed against you by a state or provincial insurance department? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever had an insurance license denied or revoked by a state or province? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you ever been refused a surety or fidelity bond? |

If the answer to any of these questions is "yes", please provide details on a separate sheet of paper.

All appointed agents must comply with all insurance laws, regulations and insurance department bulletins in the jurisdictions in which he is appointed. The applicant may not use, distribute, or publish any advertisement (as defined by the laws of the jurisdiction for which the applicant is appointed), solicitation material, or proposal which has not been filed with and approved in writing by Companion Life Insurance Company. The applicant shall not use Companion service or trade marks without prior written approval from Companion Life Insurance Company. The applicant agrees to assist and cooperate with Companion Life Insurance Company regarding any and all insurance department inquiries, complaints, or investigations.

I certify that all statements are true and correct to the best of my knowledge.

I understand that in compliance with Public law 91-508 (Fair Credit Reporting Act), an investigative consumer report may be prepared from information obtained from person with whom I am acquainted. Inquiry may include information as to my character, general reputation, personal characteristics and mode of living.

I understand that I have the right to make a written request, within a reasonable period of time, to receive information about the nature and scope of this investigation.

DATE

SIGNATURE

AGREEMENT WITH BUSINESS ASSOCIATE

This Agreement ("Agreement") is effective upon execution, and is made by and between the **undersigned Agent/Agency** ("Business Associate") and **Companion Life Insurance Company** ("Company").

Company and Business Associate mutually agree to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-64) and with the requirements of all insurance commissioner regulations implementing Title V of the Gramm-Leach-Bliley Act (15 U.S.C. § 6801 *et seq.*) that are applicable to Company's relationship with Business Associate.

A. Privacy & Security of Protected Health Information, Electronic Protected Health Information and Nonpublic Personal Financial Information.

1. **Permitted Uses and Disclosures.** Business Associate is permitted or required to use or disclose Protected Health Information ("PHI"), electronic PHI and nonpublic Personal Financial Information ("NRFI") it creates or receives for or from Company or to request PHI, electronic PHI and NRFI on Company's behalf only as follows:
 - a) **Functions and Activities on Company's Behalf.** Business Associate is permitted to request the Minimum Necessary PHI, electronic PHI and NRFI on Company's behalf, and to use and to disclose the Minimum Necessary PHI or electronic PHI to perform functions, activities, or services for or on behalf of Company.
 - b) **Business Associate's Operations.** Business Associate may use the Minimum Necessary PHI, electronic PHI and NRFI for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities. Business Associate may disclose the Minimum Necessary PHI and electronic PHI, but not such NRFI, for Business Associate's proper management and administration or to carry out Business Associate's legal responsibilities only if:
 - (i) The disclosure is required by law; or
 - (ii) Business Associate obtains reasonable assurance, evidenced by written contract, from any person or organization to which Business Associate will disclose PHI or electronic PHI that the person or organization will:
 - a. Hold such PHI, electronic PHI in confidence and use or further disclose it only for the purpose for which Business Associate disclosed it to the person or organization or as required by law; and
 - b. Promptly notify Business Associate (who will in turn promptly notify Company) of any instance of which the person or organization becomes aware in which the confidentiality of such PHI or electronic PHI was breached.
2. **Prohibition on Unauthorized Use or Disclosure.** Business Associate will neither use nor disclose PHI, electronic PHI and NRFI except as permitted or required by this Agreement, as otherwise permitted in writing by Company, or as required by law. This Agreement does not authorize Business Associate to use or disclose PHI, electronic PHI or NRFI in a manner that would violate the requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 C.F.R. Parts 160-64) if done by Company, except as set forth in Section A(1)(b).
3. **Information Safeguards.** Business Associate will develop, document, implement, maintain, and use appropriate administrative, technical, and physical safeguards, in compliance with Social Security Act § 1173(d) (42 U.S.C. § 1320d-2(d)), 45 C.F.R. Part 164, Subparts C & E, and any other implementing regulations issued by the U.S. Department of Health and Human Services, and any other applicable laws. The safeguards will be designed to preserve the integrity, availability and confidentiality of electronic PHI, and to prevent intentional or unintentional non-permitted or violating use or disclosure

of, PHI or NPFI. Business Associate will document and keep these safeguards current. Business Associate agrees to mitigate any harmful effect that is known to the Business Associate resulting from a use or disclosure of PHI, electronic PHI or NPFI by the Business Associate or its subcontractors in violation of the requirements of this Agreement.

4. **Subcontractors and Agents.** Business Associate will require any of its subcontractors and agents, to which Business Associate is permitted by this Agreement or in writing by Company to disclose PHI, electronic PHI and NPFI, to provide reasonable assurance, evidenced by written contract, that such subcontractor or agent will comply with the same privacy and security obligations as Business Associate with respect to such PHI, electronic PHI and NPFI.

B. Compliance with Standard Transactions. If Business Associate conducts, in whole or part, Standard Transactions for or on behalf of Company, Business Associate will comply, and will require any subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors or agents to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of Company that:

1. Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
2. Adds any data element or segment to the maximum defined data set;
3. Uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or
4. Changes the meaning or intent of the Standard Transaction's implementation specification.

C. Individual Rights.

1. **Access.** Business Associate will, within five (5) business days after Company's request, make available to Company or, at Company's direction, to the individual (or the individual's personal representative) for inspection and obtaining copies any PHI, electronic PHI and NPFI about the individual that is in Business Associate's custody or control, so that Company may meet its access obligations under 45 C.F.R. § 164.524.
2. **Amendment.** Business Associate will, upon receipt of notice from Company, promptly amend or permit Company access to amend any portion of the PHI, electronic PHI and NPFI, so that Company may meet its amendment obligations under 45 C.F.R. § 164.526.
3. **Disclosure Accounting.** So that Company may meet its disclosure accounting obligations under 45 C.F.R. § 164.528:
 - a) **Disclosure Tracking.** Starting April 14, 2003, Business Associate will record information concerning each disclosure of PHI or electronic PHI, not excepted from disclosure tracking under Agreement Section C.3(b) below, that Business Associate makes to Company or a third party. The information Business Associate will record includes: (i) the disclosure date; (ii) the name and (if known) address of the person or entity to whom Business Associate made the disclosure; (iii) a brief description of the PHI or electronic PHI disclosed; and (iv) a brief statement of the purpose of the disclosure (items i-iv, collectively, the "disclosure information"). For repetitive disclosures Business Associate makes to the same person or entity for a single purpose, Business Associate may provide (x) the disclosure information for the first of these repetitive disclosures; (y) the frequency, periodicity or number of these repetitive disclosures; and (z) the date of the last of these repetitive disclosures. Business Associate will make this disclosure information available to Company within ten (10) business days after Company's request.
 - b) **Exceptions from Disclosure Tracking.** Business Associate need not record disclosure information or otherwise account for disclosures of PHI or electronic PHI that this Agreement or Company in writing permits or requires (i) for purposes of treating the individual who is the subject of the PHI or electronic PHI disclosed, payment for that treatment, or for the health care operations of Business Associate; (ii) to the individual who is the subject of the PHI or electronic PHI disclosed or to that individual's personal representative; (iii) pursuant to a valid authorization by the person who is the subject of the PHI or electronic PHI disclosed; (iv) to persons involved in that individual's health care or payment related to

that individual's health care; (v) for notification for disaster relief purposes; (vi) for national security or intelligence purposes; (vii) as part of a limited data set; or (viii) to law enforcement officials or correctional institutions regarding inmates or other persons in lawful custody.

- c) Disclosure Tracking Time Periods. Business Associate must have available for Company the disclosure information required by Agreement Section C.3(a) for the six (6) years preceding Company's request for the disclosure information (except Business Associate need have no disclosure information for disclosures occurring before April 14, 2003).
4. **Restriction Requests; Confidential Communications.** Business Associate will comply with any requests for restriction requests and confidential communications of which it is aware and to which Company agrees pursuant to 45 C.F.R. § 164.522 (a) and (b).
5. **Inspection of Books and Records.** Business Associate will make its internal practices, books, and records, relating to its use and disclosure of PHI or electronic PHI, available to Company and to the U.S. Department of Health and Human Services to determine compliance with 45 C.F.R. Parts 160-64 or this Agreement.

D. Breach of Privacy & Security Obligations.

1. **Reporting.** Business Associate will report to Company any use or disclosure of PHI, electronic PHI and NPHI not permitted by this Agreement or by Company in writing. Business Associate will make the report to Company's Privacy Officer within three (3) business days after Business Associate learns of such non-permitted use or disclosure. Business Associate's report will, at a minimum:
 - a) Identify the nature of the non-permitted use or disclosure;
 - b) Identify the PHI, electronic PHI and NPHI used or disclosed;
 - c) Identify who made the non-permitted or violating use or disclosure and who received the non-permitted disclosure;
 - d) Identify what corrective action Business Associate took or will take to prevent further non-permitted uses or disclosures;
 - e) Identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted use or disclosure; and
 - f) Provide such other information, including a written report, as Company may reasonably request.
2. **Security Incident.** If Business Associate becomes aware of any Security Incident, Business Associate shall report the same in writing to Company as provided below. Business Associate agrees to mitigate, to the extent practicable, any harmful effect resulting from such Security Incident. Notwithstanding anything to the contrary in this Agreement, this Section D.2 shall be effective as of April 20, 2005.
 - a) In determining how and how often Business Associate shall report to Company in writing the Security Incidents required above, both Company and Business Associate agree that unsuccessful attempts at unauthorized access or system interference occur frequently and that there is no significant benefit for data security from requiring the documentation and reporting of such unsuccessful intrusion attempts. In addition, both parties agree that the cost of documenting and reporting such unsuccessful attempts as they occur would swamp any potential benefit gained from reporting them. Consequently, both Company and Business Associate agree that this Agreement shall constitute the documentation, notice and written report of such unsuccessful attempts at unauthorized access or system interference as required above and by 45 C.F.R. Part 164, Subpart C and that no further notice or report of such attempts will be required. By way of example (and not limitation in any way), the Parties consider the following to be illustrative (but not exhaustive) of Unsuccessful Security Incidents when they do not result in unauthorized access, use, disclosure, modification, or

destruction of electronic PHI or interference with an information system:

- (i) Pings on a Party's firewall,
 - (ii) Port scans,
 - (iii) Attempts to log on to a system or enter a database with an invalid password or username, and
 - (iv) Denial-of-service attacks that do not result in a server being taken off-line.
 - (v) Malware (e.g., worms, viruses)
- b) Otherwise, Business Associate will document as required by 45 C.F.R. Part 164, Subpart C and report to Company (a) any successful unauthorized access, use, disclosure, modification, or destruction of Company's electronic PHI of which Business Associate becomes aware, or (b) any successful unauthorized interference with system operations in Business Associate's Information System containing Company's electronic PHI of which Business Associate becomes aware. Such reports will be provided within five (5) business days of when Business Associate becomes aware of the incident.

3. Termination of Agreement.

- a) Right to Terminate for Breach. Company may terminate Agreement if it determines, in its sole discretion, that Business Associate has breached any provision of this Agreement. Company may exercise this right to terminate Agreement by providing Business Associate written notice of termination, stating the breach of the Agreement that provides the basis for the termination. Any such termination will be effective immediately or at such other date specified in Company's notice of termination.
- b) Obligations upon Termination.
- (i) Return or Destruction. Upon termination, cancellation, expiration or other conclusion of Agreement, Business Associate will, if feasible, return to Company or destroy all PHI, electronic PHI and NPHI in whatever form or medium (including any electronic medium) and all copies of any data or compilations derived from and allowing identification of any individual who is a subject of PHI, electronic PHI and NPHI. Company will determine, in its sole discretion, whether Business Associate will destroy or return such PHI, electronic PHI and NPHI. Business Associate will complete such return or destruction as promptly as possible, but not later than ten (10) business days after the effective date of the termination, cancellation, expiration or other conclusion of Agreement. All costs related to the Business Associate's return or destruction of PHI, electronic PHI and NPHI will be paid by the Business Associate. Business Associate will identify any PHI, electronic PHI and NPHI that cannot feasibly be returned to Company or destroyed. Business Associate will limit its further use or disclosure of that PHI, electronic PHI and NPHI to those purposes that make return or destruction of that PHI, electronic PHI and NPHI infeasible. Within ten (10) business days after the effective date of the termination, cancellation, expiration or other conclusion of Agreement, Business Associate will (a) certify on oath in writing to Company that such return or destruction has been completed, (b) deliver to Company the identification of any PHI, electronic PHI and NPHI for which return or destruction is infeasible, and (c) certify that it will only use or disclose such PHI, electronic PHI and NPHI for those purposes that make return or destruction infeasible.
 - (ii) Continuing Privacy Obligation. Business Associate's obligation to protect the privacy of the PHI, electronic PHI and NPHI it created or received for or from Company will be continuous and survive termination, cancellation, expiration or other conclusion of Agreement.
 - (iii) Other Obligations and Rights. Business Associate's other obligations and rights and Company's obligations and rights upon termination, cancellation, expiration or other conclusion of Agreement will be those set out in the Agreement.

4. **Indemnity.** Business Associate will indemnify and hold harmless Company and any Company affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any non-permitted or violating use or disclosure of PHI, electronic PHI and NPI or other breach of this Agreement by Business Associate or any subcontractor, agent, person or entity under Business Associate's control.
- a) **Right to Tender or Undertake Defense.** If Company is named a party in any judicial, administrative or other proceeding arising out of or in connection with any non-permitted or violating use or disclosure of PHI, electronic PHI and NPI or other breach of this Agreement by Business Associate or any subcontractor, agent, person or entity under Business Associate's control, Company will have the option at any time to either: (i) tender its defense to Business Associate, in which case Business Associate will provide qualified attorneys, consultants, and other appropriate professionals to represent Company's interests at Business Associate's expense, or (ii) undertake its own defense, choosing the attorneys, consultants, and other appropriate professionals to represent its interests, in which case Business Associate will be responsible for and pay the reasonable fees and expenses of such attorneys, consultants, and other professionals.
- b) **Right to Control Resolution.** Company will have the sole right and discretion to settle, compromise or otherwise resolve any and all claims, causes of actions, liabilities or damages against it, notwithstanding that Company may have tendered its defense to Business Associate. Any such resolution will not relieve Business Associate of its obligation to indemnify Company under this Agreement Section D.3.

E. General Provisions.

1. **Definitions.** The capitalized term "Protected Health Information" and "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Company or another business associate of Company. The capitalized term "Electronic Protected Health Information" and "electronic PHI" shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 164.103. The capitalized term "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304. The capitalized term "Standard Transactions" shall have the meaning set out in 45 C.F.R. § 162.103. The term "Minimum Necessary" shall have the meaning set out in 45 C.F.R. § 164.502. The capitalized terms "Nonpublic Personal Information," "Nonpublic Personal Financial Information," and "NPI" have the meanings set out in the insurance commissioner regulations implementing of Gramm-Leach-Bliley Act Title V that are applicable to Company's relationship with Business Associate.
2. **Owner of Protected Health Information.** Company is the exclusive owner of PHI, electronic PHI and NPI generated or used under the terms of the Agreement or this Agreement.
3. **Amendment to Agreement.** Upon the effective date of any final regulation or amendment to final regulations promulgated by the U.S. Department of Health and Human Services with respect to PHI, electronic PHI or Standard Transactions or by an insurance commissioner with jurisdiction over Company that implements Gramm-Leach-Bliley Act Title V, this Agreement will automatically amend such that the obligations they impose on Business Associate remain in compliance with these regulations.
4. **Disclosure of De-identified Data.** The process of converting PHI or electronic PHI to De-identified Data ("DID") is set forth in 45 C.F.R. § 164.514. In the event that Company provides Business Associate with DID, Business Associate shall not be given access to, nor shall Business Associate attempt to develop on its own, any keys or codes that can be used to re-identify data.
5. **Creation of De-identified Data.** In the event Business Associate wishes to convert PHI or electronic PHI and NPI to DID, it must first subject its proposed plan for accomplishing the conversion to

Company for Company's approval, which shall not be unreasonably withheld.

6. **Intent.** The parties agree that there are no intended third party beneficiaries under this Agreement.

IN WITNESS WHEREOF, Company and Business Associate execute to be effective on the last date written below.

_____ **Companion Life Insurance Company**
Agency/Agent Name

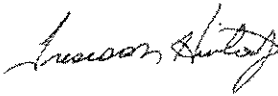
By: _____

Printed Name: _____

SSN: _____

Title: _____

Date: _____


By: _____

Printed Name: Trescott N. Hinton

Title: President

Date: _____

Agent Licensing for:

Beta Health Association, Inc.

“Dental Plan Specialists Since 1990”

Beta Health Association, Inc.

“Dental Plan Specialists Since 1990”

INDEPENDENT CONTRACTOR SALES REPRESENTATION AGREEMENT

(71505)

THIS INDEPENDENT CONTRACTOR SALES REPRESENTATION AGREEMENT (the “Agreement”), is made as of this ____ day of _____, 200__, by and between Beta Health Association, Inc. a Colorado corporation (the “Company”), and _____ (the “Representative”).

WHEREAS, the Company offers a discount fee-for-service network type of dental plan, pursuant to the terms and conditions of the Discount Fee-for-Service Agreement (or “DFS Agreement”), whereby subscribers to the DFS Agreement have the right to receive dental care at a discount (“Subscribers”);

WHEREAS, the Representative desires to market and sell DFS Agreements to both groups and individuals, and

WHEREAS, the Company desires for the Representative to represent the Company in the marketing and sale of DFS Agreements under the terms and conditions as provided herein;

IT IS THEREFORE AGREED,

1. The Representative, as an independent contractor, shall represent, market and attempt to sell the Company's DFS Agreements.
2. The Representative acknowledges that this Agreement is not exclusive and that the Company may enter into similar agreements with others who may compete directly with the Representative in sales efforts.
3. The Company shall pay to the Representative a service fee on sales of DFS Agreements made by the Representative. The service fee shall be based on 95% of gross revenues derived by the Company with respect to sales of DFS Agreements made by the Representative (“Gross Revenues”). The service fee on Gross Revenues derived by the Representative from sales to group business shall equal 8% of the first year Gross Revenues attributable to group business sales, and 8% of Gross Revenues on subsequent years attributable to group business sales (“Group Service Fees”). The service fee on Gross Revenues derived by the Representative from sales to individuals shall equal 7% of Gross Revenues attributable to individual sales for all years (“Individual Services Fees”). Group Service Fees and/or Individual Service Fees shall be payable to the Representative within thirty (30) days of the close of each month for which such Group Service Fees and/or Individual Service Fees are calculated and such accounting shall occur not less frequently than monthly.
4. If any DFS Agreement is terminated by the Subscriber or the Company for any reason or cause whatsoever, all rights the Representative may have to any Group Service Fees and/or Individual Service Fees shall cease as of the date of such termination.
5. The Representative shall have no authority or right to vary, discharge, waive or modify the terms of DFS Agreements, promotional brochures, advertising and other materials of the Company, or to extend the time for payment of fees by a Subscriber.
6. The Representative shall be personally liable to the Company for all monies due the Company paid to and collected by the Representative, its employees, assistants or agents. All such monies shall be paid promptly to the Company, as the Company shall direct. The failure of the Representative to promptly pay such monies, or otherwise comply with the covenants and provisions herein set forth, shall be prima facie evidence of a breach hereof and shall serve to immediately terminate this Agreement, all rights of the Representative hereunder and the obligation of the Company to pay the Representative any portion of any Group Service Fees and/or Individual Service Fees attributable to sales by the Representative.
7. Either party shall have the right, at any time, to terminate this Agreement by delivering written notice of its intention to do so to the other party. This Agreement shall terminate thirty (30) days after receipt, by the non-terminating party, of the terminating party's notice. In addition, the Company may terminate this Agreement upon three (3) days notice to the Representative “for cause.” For purposes of this Agreement “for cause” includes, but is not limited to, (1) the filing by the Representative of a voluntary petition under any bankruptcy or insolvency law or a petition for the appointment of a receiver or the filing of a petition for the benefit of creditors, (2) the Representative's failure to service DFS Agreements issued by the Company, (3) for fraud, embezzlement, or misuse of Company funds by the Representative, (4) the Representative's violation of any statute, rule or regulation to which the Company is subject, (5) the violation by the Representative of any provision of this Agreement, and (6) any other acts or omissions on the part of the Representative which reflect unfavorably upon the Company.
8. The Representative agrees to indemnify and hold harmless the Company from and against any act or omission of the Representative which may result in any claim, action, or judgment against, or dispute with or other loss of income to, the Company, including indemnification for attorney's fees and related costs incurred by the Company in disputing any such claim, action or dispute.
9. This Agreement permits the Representative to procure and submit applications for DFS Agreements and other products and services offered by the Company. The Company reserves the right to accept or reject, in the Company's sole discretion, any DFS Agreement application and no cause need be stated concerning the rejection of any such application. The Company makes no covenant or representation whatsoever concerning the acceptance of any DFS Agreement application.
10. The Representative warrants to the Company that the Representative has, in a sufficient degree, all of the skills necessary to represent the DFS Agreement and other products and services offered by the Company in a professional manner, and in such a way as not to reflect negatively upon the Company or the DFS Agreement and other products and services offered by the Company. The Company and the Representative further agree that the Representative need not render the services described in the Agreement personally but may, at the sole cost and expense of the Representative, hire, supervise and pay employees, assistants or agents, provided that such employees, assistants or agents are warranted by the Representative to possess sufficient skills necessary to represent the Company and its products as aforesaid.

11. The Company acknowledges that the Representative is engaged in services similar to those provided by the Representative hereunder for persons or firms other than the Company, and that the Representative's services are available to the general public. Consequently, this Agreement does not require that the Representative devote any specified amount of time or effort in the promotion of the Company's products.

12. The Company and the Representative agree that the Company shall not be required to provide to the Representative any support services or place of work and shall not have any right to compel the Representative to travel any designated route, to canvas any given territory, or to perform any act or function within any defined period of time.

13. The Company and the Representative agree that, except as required to coordinate efforts of the Company's sales representatives and determine commissions due to the Representative, the Representative shall not be required to submit any reports to the Company with respect to the services rendered by the Representative hereunder.

14. The Company and the Representative agree that all costs incurred by the Representative in performance of the Representative's activities hereunder, as well as the costs related to any of the Representative's employees, assistants or agents, shall be borne by the Representative.

15. The Company and the Representative agree that the Representative, at all times when the Representative is performing duties which are or could be construed to be for the benefit of the Company, shall maintain an automobile liability insurance policy in an amount not less than that required by the statutes of the State of Colorado, and a general liability insurance policy and an errors and omissions insurance policy. Further, the Representative warrants that the Representative has or will obtain any workers' compensation or other insurance which might be applicable to the performance of the Representative or the Representative's assistants and employees pursuant to this Agreement.

16. This Agreement merges all previous negotiations between the parties hereto and constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement. Alterations, modifications or changes of this Agreement shall be valid with a 30-day written notice by Company to Representative.

17. No delay or failure by either party to exercise any right under this Agreement shall constitute a waiver of that or any right, unless otherwise expressly provided herein.

18. This Agreement shall be construed and governed by the laws of the State of Colorado.

19. The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors and assigns.

20. All disputes between the parties with respect to any provision of this Agreement or the rights and obligations of the parties hereunder (other than disputes involving allegations of intentional fraud), which cannot be resolved by mutual agreement, will be resolved by binding arbitration before a single arbitrator in accordance with the commercial rules of the American Arbitration Association in Denver, Colorado, or by any other means of alternative dispute resolution mutually agreed upon by the parties. Each party shall be entitled to discovery pursuant to the federal rules of civil procedure and federal rules of evidence and the party substantially prevailing shall be entitled to recover from the party not substantially prevailing all costs incurred in connection with such controversy, including reasonable attorney's fees. The decision of the arbitrator shall be final and binding upon the parties.

21. Any notice required or desired to be given hereunder shall be in writing and shall be considered effective when delivered, if by personal delivery, upon receipt, if sent by FAX, which FAX has been telephonically confirmed, before 5:00 p.m. local time of the recipient on a business day, upon delivery, or if not, at 9:00 a.m., local time on the next business day, or upon first attempted delivery after mailing by certified mail, return receipt requested, postage prepaid, addressed as provided on the signature page or to such other address as shall be furnished in writing by any party to the other.

22. Independent contractor status. The Representative is an independent contractor, free from the control, direction or supervision of the Company and is not an employee of the Company. In conformance with such independent contractor status:

a. The Company shall not exercise control or direction over the manner or method by which the Representative's services are provided or require the Representative to work exclusively for it during the term hereof, except that the Representative may choose exclusively to provide services to the Company during the term hereof; provided always that the services of the Representative shall be provided in a manner consistent with workmanlike, professional standards governing such services and according to such plans and specifications as may be required by the Company;

b. The Company agrees to comply with all reasonable requests of Representative necessary to the performance of the Representative's services under this agreement;

c. The Representative retains the right to hire assistants to help deliver the services contemplated under this agreement and the Representative shall be responsible for worker's compensation insurance for any such assistants hired. Representative agrees to hold harmless and indemnify Company for any and all claims arising out of any act or omission by the Representative or any of the Representative's assistants, employees or agents;

d. The Company does not pay the Representative a salary or hourly rate, rather any remuneration is strictly on a fee basis;

e. The Company does not provide Representative or any of the Representative's assistants, employees or agents is eligible for, or shall be able to participate in, any employee pension, profit sharing, health or other fringe benefit plan, including health, life and all other insurance coverage's of the Company;

f. The Company does not dictate the time, place or location of performance of any work by the Representative;

g. The Company and the Representative do not combine their business operations in any way, and the relation of the Representative to the Company shall be that of independent Representative and not an employee, agent, partner or joint venture with the Company. Rather the parties shall maintain their operations as separate and distinct entities for all purposes including, but not limited to Federal and State tax purposes;

h. Each party shall be responsible for obtaining their own liability insurance, if any.
i. If the representative is not a corporation, the representative understands that the representative is not entitled to unemployment insurance benefits unless unemployment compensation coverage is provided by the representative or some other entity other than the Company. Further the representative is obligated to pay federal, state and local income tax and self-employment tax on any moneys paid pursuant to this agreement. The representative further understands that the company will not withhold FICA (social security) from the representative's commissions, will not withhold state or federal income tax from the representative's commissions and will not obtain worker's compensation insurance on behalf of the representative.

23. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

WHEREFORE, the parties have executed this Sales Representation Agreement as of the date first above written.

INDEPENDENT CONTRACTOR

COMPANY
Beta Health Association, Inc.

Signature

By: _____

Printed Name

Name: Rod S. Henningsen

Agency Name (if applicable)

Title: President / CEO

Address

City / State / Zip

SS # or Tax ID #

Phone Number

Fax Number

E-Mail Address: _____

Compensation is to be paid to: _____ Agency _____ Representative Directly

Representative Signature: _____ Date _____

Please attach all appropriate License copies

Beta Health Association, Inc.

"Dental Plan Specialists Since 1990"

9725 East Hampden Avenue, Suite 400

Denver, CO 80231

1-800-807-0706 or 303-744-3007

Fax: 303-744-2890

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