

Coventry Health Care

Licensed Only Agent Contracting Checklist

Complete and sign the following items.

- ❑ **Completed & Signed Contact Information Sheet (2 pgs)**
- ❑ **Acknowledgement & Authorization Sheet (1 pg)**
- ❑ **Direct Deposit Form (1 pg)**
- ❑ **LOA Addendum (1 pg)**
- ❑ **Copy of Your Insurance License**

Fax Completed Signature Pages to: (417) 877-1336

Any Questions? Please call us at... (800) 647-0724

Osborn & Associates
3444G S. Campbell Avenue
Springfield MO 65807-5102

*Please read and fill out the entire contract and make personal copies.
Thank You for your business!*

Health | Life | Group | Medicare | Long Term Care | Annuities



CONTRACT INFORMATION SHEET

INSTRUCTIONS: Please complete all information. You will also be required to complete this information as part of your online attestation.

Agent Information:

Broker/Agent Name: LAST: _____ FIRST: _____ MI: _____

Agent/Broker SSN: _____

Birth Date: Month: _____ Day: _____ Year: _____

Telephone Number: _____ ext: _____ Fax Number: _____

Mobile Number: _____ e-mail Address: _____

Correspondence Address:

Contact Name: _____

Street Address 1: _____

Street Address 2: _____

City: _____

State: _____ Zip Code: _____

Payment Information:

I hereby (1) authorizes Coventry Health Care, Inc. and its corporate affiliates (collectively "CHC") to make payments for Payee's services by Electronic Fund Transfer (EFT), (2) certifies that the Payee has selected the following depository institution, and (3) directs that all such EFTs be made as provided below:

Make Payable to: _____ TIN# _____

Select Payment Type: Electronic Funds Transfer (Preferred Method) _____
Check _____

FOR EFT: Bank Routing Number: _____ (9 digits- lower left corner of check)

Bank Account Number: _____ (do not include check number)

Bank Name: _____

Commission Statement Addresses:

Street Address 1: _____

Street Address 2: _____

Street Address 3: _____

City: _____

State: _____ Zip Code: _____

License Information:

1.

State applicable to License: _____
Broker/Agent License: _____

2.

State applicable to License: _____
Broker/Agent License: _____

3.

State applicable to License: _____
Broker/Agent License: _____

✓ Please attach copies of all licenses

Background Information:

Please provide answers to the following questions: If you answer "Yes" to questions 1 or 2 please provide a written explanation.

1. Have you ever been fined suspended, placed on probation, paid administrative costs, entered into a consent order, been issued a restricted license or otherwise been disciplined or reprimanded, or are you currently under investigation by any insurance department, the NASD, SEC or any other regulatory authority?

_____ YES _____ NO

2. Have you ever been convicted or plead guilty or nolo contendere (no contest), served any probation, paid any fines or court costs, had charges dismissed through any type of first offender or deferred adjudication or suspended sentence procedure, or are any charges currently pending against you for any offense other than a minor traffic violation?

_____ YES _____ NO

3. Do you currently have errors and omissions insurance?

_____ YES Name of Carrier: _____

_____ NO Errors and Omissions Insurance

Recruitment Information:

Identify Who Recruited You: _____

Broker Name or Agency Name: _____

TAX ID Number: _____

ACKNOWLEDGEMENT AND AUTHORIZATION FOR CONSUMER REPORTS

Coventry Health Care, Inc.

In connection with your application to become an authorized agent to sell insurance products offered by affiliates of Coventry Health Care, Inc., you understand that consumer reports or investigative consumer reports may be requested about you including information about your character, general reputation, personal characteristics and mode of living, employment record, education, qualifications, criminal record, driving record, credentials, and/or credit and indebtedness, and may involve personal interviews with sources such as supervisors, friends, neighbors, associates, public record or various Federal, State, or Local agencies. A consumer report containing injury and/or medical information may be obtained after a tentative offer of a contract to be an agent for Coventry has been made.

You hereby authorize the obtaining of such consumer reports and investigative consumer reports at any time after execution of this authorization. By signing below, you hereby authorize without reservation, any party or agency contacted by Coventry, or the consumer reporting agency acting on behalf of Coventry, to furnish the above mentioned information. You further authorize ongoing procurement of the above mentioned reports at any time during your continued contractual relationship with Coventry. You also agree that a fax or photocopy of this authorization with your signature shall be accepted with the same authority as the original.

For California, Minnesota or Oklahoma applicants only, if you would like to receive a copy of the consumer report, if one is obtained, please check this box.

For California applicants only, if public record information is obtained without using a consumer reporting agency, you will be supplied a copy of the public record information unless you check this box waiving your right to obtain a copy of the report.

Printed Name: _____

Signature: _____

Date: _____

Social Security #: _____

Current Address: _____

_____ city state zip

Other Names Used: _____

Include Maiden or Name Changes, No Direct Derivatives Ex: Susan vs. Sue, David vs. Dave, etc.

DL #: _____ State: _____

DOB: _____

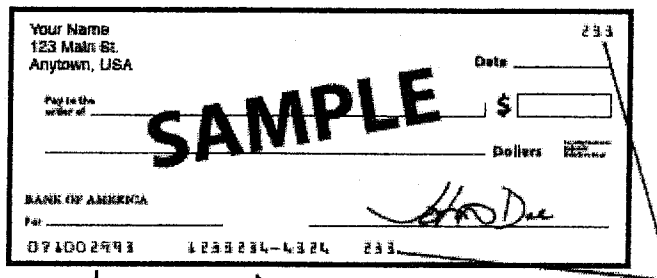
PLEASE ATTACH A COPY OF YOUR LICENSE HERE

ELECTRONIC FUND TRANSFER AUTHORIZATION FORM



Please return to the address below:
Coventry Health Care, Inc.
Attention: Contract Management Unit
2222 Ewing Road
Moon Twp., PA 15108
Email: pffscontractscmu@cvty.com
Fax: 724-741-7285

_____ (“Payee”) hereby (1) authorizes Coventry Health Care, Inc. and its corporate affiliates (collectively “CHC”) to make payments for Payee’s services by Electronic Fund Transfer (EFT), (2) certifies that the Payee has selected the following depository institution, and (3) directs that all such EFTs be made as provided below:



The 9 digit Bank Routing/ABA Number is usually located here. If you are unsure, please check with your bank.

Your Account Number is shown here. Include spaces, slash marks or hyphens.

Actual check number. Do not use this number.

Depository Institution: _____

Banking Routing Number: (all routing numbers are 9 digits)

Account Number: _____

Account Name: _____

Account Type: Checking Savings (must choose one)

Payee’s Tax Id / Social Security #: _____

Contact Name: _____ Phone Number: _____

Contact Email Address: _____

Payee will give thirty (30) days advance notice in writing to CHC of any changes in its depository institution or other payment instructions.

When properly executed, this Authorization will become effective within thirty (30) days after its receipt by CHC. CHC also reserves the right to recall an EFT transaction if incorrect.

Before submitting this authorization form, the Payee should check with its banking institution to verify that it will be able to receive Automated Clearing House (ACH) transactions and if there are any associated fees for this service. To ensure the correct banking information is entered into our system, please enclose a copy of a voided check for the depositing account.

Date: _____

Payee Name: _____

Authorized Signature: _____

Title: _____

**License Only Agent Authorization Addendum
to the Master Agent/ Broker Agreement**

In accordance with the terms and conditions of the Master Agent/Broker Agreement (the "**Agreement**") by and between Coventry Health and Life Insurance Company ("Coventry"), a subsidiary of Coventry Health Care, Inc., and the undersigned agency ("Agent") who has executed a Participating Agent Addendum ("Participating Agent Addendum") to such Agreement, Coventry and Agent hereby enter into this License Only Agent Authorization Addendum ("Addendum"). The purpose of this Addendum is to add terms and conditions related to the use of Licensed Only Agents to the Agreement.

The Master Agent/Broker Agreement and Participating Agent Addendum are hereby amended as follows:

1. **Licensed Only Agents.** Coventry hereby authorizes the undersigned Agent to use Licensed Only Agents ("LOA(s)") to sell Coventry Medicare Plans under the terms and conditions of the Agreement. For purposes of this Addendum, a LOA is a licensed insurance agent who is either employed by or under exclusive contract with the Agent to sell for the Agent's agency and for whom the Agent is responsible for managing, arranging and overseeing and sales activities. Agent agrees to the following terms and conditions related to the use of LOAs:

- a. All LOAs must complete the same training, testing, contracting, appointing and other agent processes required by Coventry for all agents. A LOA may not sell Coventry products until the LOA has received written authorization from Coventry to do so. Each LOA must abide by the terms and conditions of the LOAs contract with Coventry and Agent is responsible for ensuring that the LOAs comply with all such requirements.
- b. Coventry hereby delegates to the Agent responsibility for the payment of Commission, if any, to LOAs. If Agent pays Commission, then Agent agrees to pay its LOAs in accordance with the Commission amounts set forth in the LOA Schedule attached hereto (or any future Commission amounts agreed to by the parties in writing). Agent shall only pay a Commission to a LOA for a sale of a Coventry Medicare Plan if Coventry pays the applicable Commission to Agent. If Coventry applies an offset, chargeback or reduction to a Commission paid to Agent for a sale by an LOA, Agent shall apply the same offset, chargeback or reduction to the LOA. Agent shall comply with and apply all CMS and Coventry rules and requirements related to the payment of salaries or Commissions to LOAs. Agent agrees that it will not pay any additional compensation (in cash or in kind), bonuses, or awards to its LOAs, except for salaries paid to employed agents, for the sale of Coventry Medicare Plans.
- c. Upon notice to Agent and as frequently as determined by Coventry, Coventry shall have the right to audit Agent's payments and charge backs of its LOAs for sales of Coventry Medicare Plans. Agent shall provide Coventry with all requested documentation and records of Agent's Commission payments to its LOAs for the sale of Coventry Medicare Plans.
- d. Agent agrees to indemnify, defend, and hold Coventry harmless from and against any and all claims, damages, fines, penalties, costs, losses, and expenses, including, without limitation, attorneys' fees and costs of settlement or defense, arising out of or relating to Agent's negligent acts or omissions or misconduct with respect to Agent's obligations under this Addendum.

2. All capitalized terms not defined herein shall have the meaning ascribed to them in the Agreement.

3. All other terms and conditions of the Agreement remain unchanged and in full force and effect.

4. This Addendum shall be effective on the date executed and accepted by Coventry Health and Life Insurance Company.

AGENT

COVENTRY HEALTH AND LIFE
INSURANCE COMPANY
(on behalf of itself and its affiliates)

By: _____
(signature)

By: _____

Print Name: _____

Date: _____

Date: _____

Name and Address of Agency:

LOA Schedule (2010)

If Agent pays a Commission to an LOA, then Agent shall be responsible for assigning a LOA Commission level, set forth below, to each LOA. Once assigned, that Commission level shall apply to each Coventry Medicare Plan sold by the LOA for the renewal life of the particular sale. If Agent desires to change an LOA's assigned Commission level the change may not be based on the volume or value of production generated by the LOA. Any such change must be prospective only and shall not apply to any sales made prior to the sale (i.e., all prior sales shall continue to be compensated at the prior LOA level).

A. Commission Schedules for Coventry Medicare Plans Sold By LOAs

Commission Level	2010 Medicare Advantage CCP				2010 PART D	
	All States (except PA)		PA Only		1 st Year	Renewal Years 2-6
	1 st Year	Renewal Years 2-6	1 st Year	Renewal Years 2-6		
	LOA 3	\$171	\$86	\$192	\$96	\$21
LOA 2	\$121	\$60	\$141	\$71	\$15	\$7
LOA 1	\$71	\$35	\$81	\$40	\$11	\$5

B. Commission Rules

Agent must comply with all of the following Commission rules when paying Commissions to LOAs.

1. **Commission Cycle.** Beginning with 2009 sales, all Coventry Medicare Plans will be subject to a six year commission cycle. No commission will be paid beyond the fifth renewal year unless otherwise established by Coventry in writing under this Agreement and in accordance with CMS requirements.
2. **CMS Requirements Regarding First Year and Renewal Commissions.** Coventry and Agent agree to follow all CMS requirements related to the type of commission (first year vs. renewal) and the number of years for which commissions will be paid for all sales and renewals of Coventry Medicare Plans. No Year 1 commission shall be paid by Coventry unless CMS authorizes Coventry to pay such for a particular sale. In the event of any conflict between this Agreement and this Schedule and the CMS requirements, the CMS requirements shall control. Agent shall have no cause of action against Coventry for any Commission amount that cannot be paid or is recouped by Coventry as a result of CMS requirements.
3. **CMS Requirements Control Commission Payments and Amounts.** All Coventry commissions payments will be in accordance with CMS regulations and guidelines. The parties agree that if CMS prohibits the payment of a commission or requires the modification of the amount or method of Commission payment under this Agreement, then Coventry may cease paying a Commission or modify a Commission amount or method at any time to comply with CMS rules and regulations and Coventry may recoup any amount from Agent that CMS determines to be inappropriate. Coventry shall have no liability to Agent for any difference in the amount that would be paid under this Agreement and the amount that is subsequently determined to be paid to comply with CMS requirements.
4. **Timing of Payment / Earned Basis.** Coventry shall pay commissions in a manner and timeframe determined by Coventry in its sole discretion and in accordance with CMS requirements.

Commissions are paid on an earned basis and are based upon a 12 month enrollment beginning January and ending in December. Commissions are earned as Coventry receives Premium from CMS on a monthly basis (i.e., 1/12 per month). Coventry may reduce the Commission amount or charge back the Agent for any unearned portion of a Commission. All Commission charge backs may be charged against the next Commission payment and/or earned Commissions or offset against any other

compensation due or to become due to Agent. If either (i) a policy lapses, terminates or otherwise cancels prior to the Commission being fully earned by Agent or (ii) Coventry terminates Agent for cause prior to the Commission being fully earned by Agent, then the unearned portion of Agent's Commission shall be charged back by Coventry to the Agent.