

## INDEPENDENT REPRESENTATIVE AGREEMENT

I hereby apply to become an Independent Representative for Affordable Health & Benefits, LLC and agree to the terms and conditions set forth in this agreement and in the AHB Policies and Procedures, which are incorporated herein by reference:

1. I, the undersigned Applicant, affirm that I am of legal age in the state of execution of this Agreement.
2. I understand that this Agreement is not binding until received and accepted by AHB.
3. I agree that I am an Independent Representative responsible for my own business and I am not a legal representative or employee of AHB or any party with whom AHB transacts or contracts business. I agree that I will not be representing in any manner, that I am a representative, legal representative or employee of AHB or any party with whom AHB transacts or contracts business and will not be treated as an employee for purposes of any Federal, state or local statute, regulation, ordinance or other law.
4. I further agree that as an Independent Representative that I am responsible for the payment of all Federal, State and local taxes, including, but not limited to, self-employment taxes, withholding, unemployment and social security taxes, workers compensation or any other taxes which may be required in connection with this agreement.
5. I understand that as an Independent Representative, I am free to select my own means, methods and manner of operation and that I am free to choose the hours and location of my activities under this agreement, subject only to the terms of this Agreement and all AHB Policies and Procedures.
6. I acknowledge that AHB transacts business as a Marketing Representative for various national and regional healthcare and service networks which provide products and services to the end user at rates established by such carriers from time to time and that those products, services and rates shall be subject to change without prior notice.
7. I agree that as an Independent Representative, this Agreement with AHB grants me the authority to promote and sell the products and healthcare services in any state nationally, **except** as described and referenced in the AHB Policies and Procedures and is mandated by state regulations. AHB markets on behalf of such healthcare and service companies, subject to the terms and conditions established by said carriers and/or AHB and these terms and conditions as well as healthcare services AHB can sell in individual states are subject to change without prior notice.
8. In the process of selling or otherwise promoting the products or healthcare services of the various healthcare and service networks, I agree that I as an Independent Representative, will operate in a lawful, ethical, and moral manner and I agree to make no false or misleading statements regarding the various relationships between the said networks, AHB, myself and the products or healthcare services.
9. I agree to keep accurate records and to avoid any misleading, deceptive or unethical practices. I further agree to abide by all federal, state, local and legal statutes governing the sale or solicitation of the products and healthcare services marketed by AHB, including, but not limited to, occupational licenses, solicitation licenses, business licenses, merchant licenses, permits or any other license or permit which may be required to perform under this agreement.
10. It is not required to be a licensed health insurance agent to become a Representative of AHB, however, we may at anytime add new products that do require a representative to be licensed to be able to enroll members in said product and Representatives will be notified of any such additions and licensing requirements at that time.
11. AHB specifically reserves its sole proprietary interest in its company name, logo, trademarks, copyrighted materials and service marks in any printed form except as permitted in writing by AHB or in advertising or promotional materials provided, designed or published by AHB. I also agree this prohibits me from using the company name, logo, trademarks, copyrighted materials or service marks of any network which transacts or contracts business with AHB. I understand that the unauthorized use of trademarks or copyrighted materials is a violation of federal law and shall terminate this agreement. However, strict guidelines are necessary to maintain an accurate and ethical marketing effort. All ads using the AHB name or describing the AHB program in detail must be submitted in writing to AHB for an approval number prior to use in any form. Advertising Approval Numbers are required for all advertising copy meeting this criteria for any media, including newspaper ads, Internet sites, audio or videotapes, recorded messages, posters, flyers, promotional items, etc. and must be included in such advertisement. It is each Independent Representatives responsibility to obtain his or her own ad approval number from AHB for every ad run. No independent Representative should accept ad copy from anyone and assume it has been approved. To maintain accuracy and a consistent company image, it is required that all media inquiries, including radio, television and print publication be referred directly to the manager of AHB.
12. I may terminate this Agreement for any reason, at any time, by giving AHB prior written notice at its address of record. AHB may terminate this Agreement pursuant to its Policies and Procedures, or due to Misrepresentation of any kind or in the event that I breach any part of this Independent Representative Agreement. To cancel this agreement I must mail, via registered or certified mail, return receipt requested, or deliver personally to AHB a signed, dated copy of Cancellation Notice or send a telegram to: Affordable Health & Benefits, LLC. 1383 Clear Creek Drive, Lewisville, TX 75067. A termination of this Independent Representative Agreement results in a forfeiture of any/all commissions and or residuals.
13. I acknowledge that I have the right to enroll as many personal members as I wish. (Please see requirements to join as a Representative and commissions and residuals and payment schedule as detailed in the Policy and Procedure manual).
14. I understand that any IR and QR registration fees are non-refundable.
15. I understand that as an Independent Representative, an Achievement Bonus of \$75 will be paid each time I enroll 5-9 members in a calendar month; I will receive a Bronze Achievement Bonus of \$175 if I enroll 10-14 members in a calendar month; I will receive a Silver Achievement Bonus of \$300 if I enroll 15-24 members in a calendar month; I will receive a Gold Achievement Bonus of \$500 if I enroll 25 or more members in a calendar month. No commissions will be paid on processing fees, renewal fees or on the purchase of marketing kits and supplies.
16. AHB's annual renewal fee is \$25 a year, which commences after your first anniversary date. The \$25 annual fee is for services provided by AHB, which includes but are not limited to tracking of personal members, tracking of Independent Representatives sales organization and accounting services. Renewal application and fee must be received by AHB no later than 30 days after your anniversary date. Annual renewal fees can be deducted from any commissions due if requested by Independent Representative.
17. I acknowledge that as an Independent Representative, I am not guaranteed any income nor am I assured any profits or success, and I certify that no claims or guaranteed profits or representations of expected earnings that might result from my efforts as an Independent Representative have been made by AHB or my sponsor. In this connection, I shall not represent directly or indirectly that any person may, can or will earn any stated gross or net amount nor that sponsorship of other Independent Representatives is easy to secure or retain, or that substantially all Independents Representatives will succeed.
18. I understand that as an Independent Representative, an identification number will be issued by AHB immediately after receipt of this application and agreement. This identification number must appear on all enrollments submitted by Independent Representative in order to get proper credit for the sale.
19. A husband and wife and children residing with them are considered a single Independent Representative. A husband and wife may neither sponsor each other or children residing with them, nor have different sponsors.
20. The changing of sponsors is not allowed.
21. The marketing kit will be provided via the Internet and will include brochures and applications and training materials, including Policies and Procedure Manual for the use of Independent Representatives in promoting this program.
22. SPAM will not be tolerated. SPAM defined, is any e-mail that is sent to anyone that is unsolicited. If any complaints of SPAM are received by AHB regarding any Independent Representative, said Representative will be terminated.
23. I understand that Affordable Health & Benefits, LLC discount products are not health insurance and that the medical expense plans are reimbursement plans and are not a substitute for major medical insurance and that it is a violation of the law of most states and of this Agreement to misrepresent a product in any way. Misrepresentation of any kind including the amount of savings a member can receive will result in immediate termination of this Independent Representative Agreement.
24. I understand that the member registration and processing fee is refundable if requested in writing within the 1<sup>st</sup> 30 days of member's effective date.
25. I understand that as an Independent Representative, I agree that during the term of this Agreement and for a period of 1 year after its termination, Independent Representative shall not contract directly or indirectly with the vendors or any of the healthcare or service networks utilized by AHB to fulfill its obligations under this contract.
26. I understand that any customers I enroll belong to Affordable Health & Benefits, LLC, and I may not at anytime contact customers for the purpose of switching them to another health benefits plan. In the event this occurs AHB will take immediate legal action for violation of this Agreement.
27. I understand that in the event a material violation of the Independents Representative Agreement or the AHB Policies and Procedures occurs and is verified by the Company, AHB may, at its sole discretion, take disciplinary actions for violations of this Agreement, including suspension of the offending Independent Representative. State laws requiring the refund of administrative fees will be honored. No Independent Representative that has been terminated by AHB may reapply at any time for Independent Representative status.
28. I agree to indemnify and hold AHB harmless from any and all claims, damages and expenses, including any attorney's fees arising out of my actions or conduct in violation of this Agreement. In the event a dispute shall arise between AHB and myself as to our respective rights, duties and obligation under this Agreement and the Policy and Procedures of AHB, it is agreed that such disputes shall be exclusively resolved pursuant to binding arbitration under the commercial rules of the American Arbitration Association in Lewisville, Texas.
29. I acknowledge that I have read and fully understand the AHB Policy and Procedures, which are incorporated herein by reference and are binding upon me. I further acknowledge that AHB fully reserves its right to modify the AHB Policies and Procedures.
30. I acknowledge that this Agreement and the AHB Policies and Procedures, which are incorporated herein by references, constitute the entire Agreement between the parties hereto, and shall not be modified or amended except in writing signed by AHB. This Agreement shall be binding upon and insure to the benefit of heirs, successors and permitted assigns of the parties hereto. If any provision of the Agreement is determined by any authority of competent jurisdiction to be invalid or unenforceable in part or in whole for any reason whatsoever, the validity of the remaining provision or portions thereof shall not be affected thereby.
31. Certain licensing and bonding requirements may be required of an AHB LLC. Independent Representative depending upon the manner in which AHB program is marketed. Every AHB Independent Representative is required to investigate the laws in those states in which it is intending to market the AHB program.