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November 18, 2020

VIA EMAIL

Steven J. Junior
Insurance Program Manager
Division of Financial Regulation
Wisconsin Office of the Commissioner of Insurance
125 South Webster Street
Madison, Wisconsin 53703
Email: steve.junior@wisconsin.gov

Re: Questions Relating to the Proposed Acquisition of Control of Superior Vision Insurance Plan of Wisconsin, Inc.

Dear Mr. Junior,

On behalf of our client, MetLife, Inc., a Delaware corporation ("MetLife" or the "Applicant"), we are writing in response to your letter dated November 3, 2020, in which you requested additional information regarding the proposed acquisition of control (the "Proposed Transaction") of Superior Vision Insurance Plan of Wisconsin, Inc., a Wisconsin limited service health organization (the "Domestic Insurer"), by the Applicant. Your inquiry letter relates to the following filings we submitted in connection with the Proposed Transaction: (i) the Form A Statement Regarding the Acquisition of Control of or Merger with a Domestic Insurer, dated September 29, 2020 (the "Form A"); (ii) the Disclaimer of Control Pursuant to Section 40.03(8) of the Wisconsin Administrative Code Relative to the Domestic Insurer by and on Behalf of the MetLife Policyholder Trust and Wilmington Trust Company, as Trustee, dated October 6, 2020 (the "Disclaimer"); and (iii) two Form D Prior Notices of Transactions, each dated October 8, 2020 (the "Form Ds"). For ease of reference, each question is set forth below in bold followed by the response provided by the Applicant. Defined terms used in this letter and not otherwise defined herein shall have the meanings set forth in the Form A, the Disclaimer or the Form Ds, as applicable.

1. **What was the amount of direct premiums written by Metropolitan Life Insurance Company for vision only business in 2019? Is there any material differentiation or incompatibility in the vision only products offered by Metropolitan Life Insurance**

Company from the vision only products offered by Superior Vision Insurance Plan of Wisconsin, Inc.?

Metropolitan Life Insurance Company is the only insurance company affiliate of the Applicant that wrote any vision business in Wisconsin in 2019. During 2019, Metropolitan Life Insurance Company's direct premium for vision products issued to groups sitused in Wisconsin was $[redacted]. Because vision is not a separately reported line of business in the statutory financial statements for Metropolitan Life Insurance Company, this information is not publicly available. Therefore, the Applicant respectfully requests that the OCI maintain this information as confidential and exempt from disclosure pursuant to all applicable provisions of law, including, but not limited to, Wis. Stat. § 19.36(5).

The Domestic Insurer's vision care product in Wisconsin is categorized as a limited service health organization (LSHO) product. The Domestic Insurer markets only to small and large group commercial markets, usually distributed through an insurance broker to market its product. The Applicant's vision care products in Wisconsin are preferred provider plans to the small and large group commercial markets, usually distributed through an insurance broker or consultant. Due to requirements of antitrust law, the Applicant's ability to obtain detailed operational information about the Domestic Insurer's vision care products is restricted until after the Closing. However, as described in Item 2(b) of the Form A, the Applicant considers Versant Health's vision care products to be complementary to, rather than incompatible with, the Applicant's vision care products. In particular, the Applicant believes the Proposed Transaction will allow the Applicant to strengthen and differentiate its vision benefit offering with one of the industry's broadest network of providers and plan options, allowing the Applicant's existing customers to gain access to Versant Health's extensive provider network, which is one of the largest in the industry.

2. **What was the amount of direct premiums written by Metropolitan Property and Casualty Insurance Company for vision only business in 2019? If Metropolitan Property and Casualty Insurance Company does offer vision only products in Wisconsin, is there any material differentiation or incompatibility in the vision only products offered by Metropolitan Property and Casualty Insurance Company from the vision only products offered by Superior Vision Insurance Plan of Wisconsin, Inc.?**

   Metropolitan Property and Casualty Insurance Company did not write any vision business in Wisconsin in 2019.

3. **Were there any Metropolitan Group companies licensed in Wisconsin other than Metropolitan Life Insurance Company and Metropolitan Property and Casualty Insurance Company?**

In addition to Metropolitan Life Insurance Company and Metropolitan Property and Casualty Insurance Company, the following insurance company affiliates of the Applicant are also licensed in Wisconsin:

Delaware American Life Insurance Company
Economy Fire & Casualty Insurance Company
Economy Preferred Insurance Company
Economy Premier Assurance Company
Metropolitan Casualty Insurance Company
Metropolitan Direct Property & Casualty Insurance Company
Metropolitan General Insurance Company
Metropolitan Group Property & Casualty Insurance Company
Metropolitan Tower Life Insurance Company
SafeHealth Life Insurance Company

None of these companies wrote any vision business in Wisconsin in 2019.

4. **Was the MetLife Policyholder Trust Agreement by and among Metropolitan Life Insurance Company and MetLife, Inc. and Wilmington Trust Company and ChaseMellon Shareholder Services, L.L.C. dated as of November 3, 1999 ever provided to the policyholders who had the right to vote on the demutualization of Metropolitan Life Insurance Company?**

   Yes, the agreement was provided to the policyholders who had the right to vote on the demutualization of Metropolitan Life Insurance Company.

5. **Was the MetLife Policyholder Trust Agreement by and among Metropolitan Life Insurance Company and MetLife, Inc. and Wilmington Trust Company and ChaseMellon Shareholder Services, L.L.C. dated as of November 3, 1999 ever provided to the U.S. Securities and Exchange Commission? If so, has this agreement been held as confidential by the U.S. Securities and Exchange Commission?**

   The agreement has been filed with the SEC and has not been held as confidential by the SEC.

6. **In Wisconsin, it is exceptionally rare for disclaimers of control to be confidential. By keeping disclaimers of control public, the Wisconsin Office of the Commissioner of Insurance can better surveil whether or not disclaimers of control are accurate and that they remain so. The limited instances of confidentiality would generally involve situations in which we are coordinating a response with the federal government during an economic crisis. However, in the Disclaimer of Control relative to Superior Vision Insurance Plan of Wisconsin, Inc. by and on behalf of MetLife Policyholder**

Trust and Wilmington Trust Company, as Trustee for MetLife Policyholder Trust dated October 6, 2020, MetLife Policyholder Trust and Wilmington Trust Company, as Trustee for MetLife Policyholder Trust, requested that the filing of this Disclaimer of Control with the OCI be treated confidentially as it contains proprietary information and confidential strategies that are not otherwise available to the public and that, if disclosed, could cause substantial injury to the competitive position of the MetLife Policyholder Trust and Wilmington Trust Company, as Trustee for MetLife Policyholder Trust, and MetLife, Inc. Please identify the specific wording within the Disclaimer of Control and its Exhibits that, if disclosed, could cause substantial injury to the competitive position of MetLife, Inc.

The Applicant, the Trust and the Trustee have agreed to rescind the request for confidential treatment of the Disclaimer.

7. **Of the affiliates located outside of the United States that license intellectual property to MetLife Services and Solutions, LLC, which affiliates' intellectual property is it anticipated that Superior Vision Insurance Plan of Wisconsin, Inc. will utilize and thus indirectly pay for as part of the Member Services and Facilities Agreement? In each such instance, please provide the name of the affiliated non-U.S. entity, the nature of the intellectual property, the estimated annualized actual cost, and the estimated annualized transfer pricing mark-up.**

   Currently, there is no intellectual property that is licensed by any non-U.S. affiliates to MetLife Services and Solutions, LLC ("MSS"), and then licensed by MSS, in turn, to any U.S. affiliates, and no such licensing by non-U.S. affiliates is anticipated. However, even if MSS were to license any such intellectual property to the Domestic Insurer, it would do so on a fully paid-up, royalty-free basis, as set forth in Section 2.21 of the proposed form of Master Services and Facilities Agreement.

8. **It is customary for affiliated insurance groups in the United States that are under common control to have tax allocation agreements. In Wisconsin, Form D filings and tax allocation agreements are not held as confidential. However, in the draft Form D for the tax allocation agreement, MetLife Group, Inc. requests confidential treatment for the Form D and the Agreement to Apportion Consolidated Federal Income Tax Liability and Benefits of Consolidated Returns dated June 24, 1986, as amended, March 10, 2010, among MetLife, Inc. and its subsidiaries. Please identify the specific wording within the Form D and the tax allocation agreement that, if disclosed, could cause substantial injury to the competitive position of MetLife, Inc.**

   Because the Form D was submitted in draft form, the Applicant respectfully requests that the OCI maintain the Form D and the MetLife Tax Allocation Agreement as confidential in their entirety during the pendency of the OCI's review of the Form D. With respect to

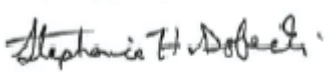
the time period after the materials are finalized and the Form D is approved, the Applicant rescinds the request for confidential treatment of the MetLife Tax Allocation Agreement.

9. **It is customary for affiliated insurance groups in the United States that are under common control to have affiliated service agreements. In Wisconsin, Form D filings and affiliated service agreements are not held as confidential. However, in the draft Form D for the Member Services and Facilities Agreement, MetLife Group, Inc. requests confidential treatment for the Form D and the Member Services and Facilities Agreement. Please identify the specific wording within the Form D and the Member Services and Facilities Agreement that, if disclosed, could cause substantial injury to the competitive position of MetLife, Inc.**

   Form D filings in the other states where the Applicant has filed the MSFA are treated confidentially, and the MSFA is not otherwise publicly available. In particular, the Applicant considers Section 2.21 of the MSFA to constitute confidential trade secrets, as it describes licensing arrangements of the Applicant's intellectual property. Attached hereto as Exhibit A is a copy of the MSFA in which Section 2.21 is redacted. Because the Form D was submitted in draft form, the Applicant respectfully requests that the OCI maintain the Form D and the MSFA as confidential in their entirety during the pendency of the OCI's review of the Form D. Once the materials are finalized and the Form D is approved, the Applicant respectfully requests that the OCI (i) make publicly available only the redacted version of the MSFA and (ii) maintain the unredacted version of the MSFA as confidential and exempt from disclosure pursuant to all applicable provisions of law, including, but not limited to, Wis. Stat. § 19.36(5).

Should you have any questions or require further information, please do not hesitate to contact me at (312) 853-7822 or sdobecki@sidley.com. We look forward to working with you, and thank you for your attention to this matter.

Best Regards,



Stephanie H. Dobecki

cc: James Donnellan, MetLife
Jay W. Klein, MetLife
Angela Lee, MetLife
Kevin G. Fitzgerald, Foley & Lardner LLP

Exhibit A

Master Services and Facilities Agreement

Please see attached.

MASTER SERVICES AND FACILITIES AGREEMENT

THIS MASTER SERVICES AND FACILITIES AGREEMENT (this "**Agreement**") is entered into on [•], and effective as of the Effective Date (as defined below), between:

(i) MetLife Services and Solutions, LLC, a limited liability company organized and existing under the laws of the State of Delaware, U.S.A., with its principal office at 200 Park Avenue, New York, NY 10166 ("**MSS**"); and

(ii) Superior Vision Insurance Plan of Wisconsin, Inc., a Wisconsin limited service health organization, with its principal office at 939 Elkridge Landing Road, Suite #200, Linthicum, MD 21090 ("**SVWI**");

MSS and SVWI are herein referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, each of the Parties is a member of the MetLife Group (as defined below);

WHEREAS, MSS and SVWI have provided and/or may provide certain services, intellectual property, assistance and facilities to each other;

WHEREAS, MSS and SVWI may desire to receive certain services, assistance and facilities from each other from time to time;

WHEREAS, each recipient benefits from the receipt of such services, assistance and facilities delivered to it, and such services, assistance and facilities are not duplicative of those such recipient member has available to it from its own resources; and

WHEREAS, the Parties wish to formalize these arrangements as set out in this Agreement.

NOW, THEREFORE, in consideration of the premises and the terms and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 For purposes of this Agreement, the following terms shall have the meanings set forth below:

"**Affiliate**" (and, with a correlative meaning, "affiliated") means, with respect to any person, any other person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person. For purposes of this definition, "control" (including with correlative meanings, "controlled by" and "under common control with") of a person means the power to, directly or indirectly, direct or cause the direction of the management and policies of such person or the power to appoint and remove a majority of the members of the board of directors, whether through the ownership of voting securities or other ownership interests, by contract or otherwise, including, with respect to a corporation, partnership or limited liability company, the direct or indirect ownership of more than fifty percent (50%) of the voting securities of such corporation or the voting interest of such partnership or limited liability company.

"**Bonus Charges**" means charges for any annual incentive bonus pay to MetLife Group employees utilized or provided by MSS in its performance of Services (as defined below).

"**Commissioner**" has the meaning set forth in Section 3.2(e).

"**Compensation Charges**" means Payroll Charges (as defined below), Material Off-Cycle Compensation Charges (as defined below) and Off-Cycle Payroll Charges (as defined below).

"**Confidential Information**" has the meaning set forth in Section 2.18(a).

"**Effective Date**" means [•].

"**Facilities**" means (i) office space, and (ii) tangible personal property or equipment, including without limitation, computer hardware or software, business property or communications equipment of whatever nature, to be provided hereunder by a Providing Party (as defined below) to, or for the benefit of, a Receiving Party (as defined below) and ancillary to Services, including, but not limited to, any facilities comprising overhead, facilities described in Schedule 1 attached hereto and any other facilities otherwise agreed to by the relevant Parties.

"**Governmental Authority**" has the meaning set forth in Section 2.14(a).

"**Initial Term**" has the meaning set forth in Section 3.1.

"**Instructions**" has the meaning set forth in Section 2.20(g).

"**Intellectual Property**" means any industrial and intellectual property rights in any jurisdiction, including: (i) inventions (whether or not patentable), improvements, ideas, formulae, processes, designs, methodology, and disclosures, patents, and patent applications therefor, including provisional applications, reissues, divisions, extensions, continuations, and continuations-in-part; (ii) trade secrets, proprietary and non-public information, customer supplier lists, and know how; (iii) Marks (as defined below); (iv) copyrights, mask works, and any registrations and applications therefor; (v) software, including algorithms, models, methodologies and documentation, whether in object code, source code, or any other medium; and (vii) databases and data collections and compositions.

"**Law**" has the meaning set forth in Section 2.20(c).

"**Licensed Intellectual Property**" has the meaning set forth in Section 2.21(b).

"**Marks**" means: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, internet domain names, social media accounts, trade styles, service marks, logos, other business identifiers, whether registered or unregistered, all registrations and recordings thereof, and all applications in connection therewith anywhere in the world, and (ii) all goodwill associated therewith.

"**Material Defaults**" has the meaning set forth in Section 3.2(d).

"**Material Off-Cycle Compensation Charges**" means compensation-related expenses not attributable to a Payroll Period (as defined below), such as payments associated with severance and hiring bonuses attributable to MetLife Group employees that are utilized or provided by MSS in its performance of Services, that MetLife Group, in its discretion, deems to be material.

"**Material Off-Cycle Compensation Charges Payment Date**" means any date on which MetLife Group is required to pay Material Off-Cycle Compensation Charges to its employees that are utilized or provided by MSS in its performance of Services, each as MSS may notify each Receiving Party from time to time.

"**MetLife Group**" means MetLife, Inc. and all entities directly or indirectly controlled by MetLife, Inc.

"**New IP**" has the meaning set forth in Section 2.21(c).

"**Off-Cycle Payroll Charges**" means Payroll Charges that are not attributable to a Payroll Period, other than Material Off-Cycle Compensation Charges.

"**Owned Intellectual Property**" has the meaning set forth in Section 2.21(a).

"**Owning Party**" has the meaning set forth in Section 2.14(c).

"**Payroll Charges**" means payroll charges for MetLife Group employees utilized or provided by MSS in its performance of Services that are attributable to a Payroll Period, including any amounts withheld (i.e., withholding taxes, including federal, state and local taxes and employee FICA contributions), contributed (i.e., voluntary employee payroll deductions, including deductions for employee 401(k) contributions and employee contributions for benefit and welfare plans (such as medical, dental, long-term care and life insurance)) or matched (i.e., employer FICA and 401(k) contributions).

"**Payroll Payment Date**" means the date on which MetLife Group employees utilized or provided by MSS are paid in respect of a Payroll Period.

"**Payroll Period**" means the period over which a majority of MetLife Group employees receive their periodic pay.

"**Payroll Prefunding Report**" means a semi-monthly statement (either in writing or by way of any electronic alternative that is accessible on any shared journal entry system) that describes the Payroll Charges and, if applicable, Off-Cycle Payroll Charges for a particular Payroll Period.

"**PHI**" has the meaning set forth in Section 2.17(e).

"**PII**" has the meaning set forth in Section 2.17(a).

"**Process**" or "**Processing**" has the meaning set forth in Section 2.17(b).

"**Providing Party**" means a Party performing one or more of the Services or providing Facilities to, or for the benefit of, a Receiving Party.

"**Receiving Party**" or **"Requesting Party**" means a Party requesting or receiving one or more of the Services or Facilities for itself or its benefit from a Providing Party.

"**Renewal Term**" has the meaning set forth in Section 3.1.

"**Responsible Party**" has the meaning set forth in Section 2.19(b).

"**Services**" means the services that a Providing Party or Stewardship Provider, as the case may be, renders hereunder to, or for the benefit of, a Receiving Party or Stewardship Recipient, as the case may be, including those set forth in Schedule 1 attached hereto, Stewardship Assistance (as applicable), and any other services otherwise agreed to by the relevant Parties. The definition of "Services" shall include the provision of personnel (including for the purpose of serving as an officer and/or director or in a similar capacity), on an as needed and Receiving Party requested basis; the definition shall not include Vendor Services (as defined below).

"**Stewardship**" means ensuring compliance with United States legal, accounting or oversight requirements that a Party would not have to comply with in its local non-United States jurisdiction if it were an entity wholly independent from the MetLife Group.

"**Stewardship Assistance**" means provision of those activities or services undertaken by the Stewardship Recipient (as defined below) or that the Stewardship Recipient has arranged for the Stewardship Provider (as defined below) with respect to the Stewardship Recipient's own business that are undertaken primarily to assist the Stewardship Provider to provide Stewardship, and refers to those activities undertaken as a result of the Stewardship Recipient being part of the MetLife Group that activities do not independently provide a benefit to the Stewardship Recipient.

"**Stewardship Provider**" means a Party providing Stewardship.

"**Stewardship Recipient**" means a Party receiving Stewardship.

"**Term**" has the meaning set forth in Section 3.1.

"**TPA Services**" means, with respect to the MetLife Group, services for the administration of an Affiliate's insurance products for which applicable laws require a license or registration if such services are performed by a party other than such Affiliate. TPA Services shall include claims processing and premium collection to the extent required by law.

"**Transfer Pricing Mark-up**" has the meaning set forth in Schedule 3 attached hereto.

"**Vendor Services**" has the meaning set forth in Section 2.3.

ARTICLE 2

SERVICES AND FACILITIES

2.1 Services.

(a) Each Party shall, to the extent it is requested by a Requesting Party and is reasonably able to do so, perform or arrange to be performed for such Requesting Party such Services as may from time to time be agreed to with such Requesting Party. The specific services or assistance within each Services category to be performed by a Providing Party to a Requesting Party shall be determined in good faith by the relevant Parties and subject to the terms and conditions of this Agreement. All Services shall be performed in compliance with applicable internal MetLife enterprise policies and all applicable laws and regulations, including, without limitation, all data protection laws and regulations and all other laws and regulations relating to the disclosure of personal information regarding policyholders, contract holders, employees or others; in the event of a conflict between the laws and regulations of a Providing Party and a Receiving Party, the relevant Parties shall work together to find an alternative method such that the relevant Receiving Party can lawfully receive the Services from the relevant Providing Party. In the event of a conflict between the applicable internal MetLife enterprise policies and applicable laws or regulations, the applicable laws or regulations shall govern. To the extent any Requesting Party is requesting TPA Services, such Requesting Party hereby appoints the Providing Party as provider of such TPA Services, which such Providing Party shall perform on the terms and conditions set forth in this Agreement and in accordance with such Requesting Party's guidelines, procedures and directives. Any material changes to the Services shall be subject to each Party's management and approval process.

In the event of a conflict between the provisions of this Agreement relating to Services other than TPA Services and the provisions of this Agreement relating specifically to TPA Services (including, for the avoidance of doubt, Section 2.20 and the state specific addenda in Schedule 2), the provisions of this Agreement relating specifically to TPA Services shall control, but only with respect to the provision of TPA Services.

(b) A Receiving Party shall maintain oversight for the Services provided hereunder, including TPA Services, and it shall monitor such Services at least annually for quality assurance.

(c) For the avoidance of doubt, a Providing Party acknowledges and agrees that all funds and invested assets of a Receiving Party are the exclusive property of such Receiving Party, held for the benefit of such Receiving Party and are subject to the control of such Receiving Party.

2.2 Facilities. Each Party shall, to the extent it is requested by a Requesting Party and is reasonably able to do so, provide or arrange to be provided to such Requesting Party such Facilities as may from time to time be agreed with such Requesting Party. The specific facilities within each Facilities category to be provided by a Providing Party to a Requesting Party shall be determined in good faith by the relevant Parties and subject to the terms and conditions of this Agreement. Any material changes to the Facilities shall be subject to each Party's management and approval process.

2.3 Vendor Services. Except as otherwise specifically prohibited, respecting the provision of Services, Intellectual Property and Facilities, each Receiving Party hereby authorizes a Providing Party to retain other service providers to perform or provide, or perform or provide on such Receiving Party's behalf, Services and Facilities not otherwise performed or provided directly by the relevant Providing Party, as may from time to time be agreed by the relevant Parties ("**Vendor Services**"). A Receiving Party shall be provided with advance notice of the arrangement for Vendor Services and shall, where it believes the same to be required, be permitted to conduct appropriate due diligence and planning in relation to the status and expertise of the other service providers and the basis on which a smooth transition of the Vendor Services could be achieved, both at the outset and on termination of the arrangement. A Providing Party contracting with the provider of the Vendor Services shall ensure that there is sufficient control over the manner in which such Vendor Services are provided. A Providing Party contracting with the provider of the Vendor Services shall be liable to the relevant Receiving Party in respect of such Vendor Services unless the contract with the provider of the Vendor Services is directly enforceable by such Receiving Party, in which case such Providing Party shall not be responsible for the provision of such Vendor Services. The Providing Party shall endeavor to procure the relevant provider of the Vendor Services to comply with terms and conditions no less stringent than those contained herein as if it has entered into this Agreement with the Receiving Party.

2.4 Cooperation. Each Receiving Party shall provide access to information and personnel necessary for a Providing Party to perform the Services and provide the Facilities and shall, in a timely manner, take all such actions as may be reasonably necessary or desirable in order to enable or assist the relevant Providing Party to perform the Services and provide Facilities, including, but not limited to, providing necessary information and specific written authorizations and consents, and the relevant Providing Party may be relieved of its obligations hereunder to the extent that such Receiving Party's failure to cooperate or to take any such action renders performance by it unlawful or impracticable.

2.5 Duty of Care. Each Providing Party shall use its commercially reasonable efforts to fulfill its obligations hereunder in an efficient, economical and speedy manner and shall use all reasonable skill and care in so doing. Each Providing Party further agrees at all times to use its commercially reasonable efforts to maintain sufficient personnel and Facilities of the kind necessary to perform its obligations hereunder, in accordance with the reasonable requests of each Requesting Party and upon reasonable notice. If, however, a Providing Party determines that for

any reason, including its own needs, it is or will be unable to perform a Service or provide a Facility, it shall immediately notify the relevant Receiving Party so that such Receiving Party can make other arrangements for such Service.

2.6 Responsibility for Personnel. The personnel utilized by a Providing Party to perform Services shall at no time be deemed employees of the relevant Receiving Party by virtue of the transactions contemplated hereunder. Such Receiving Party shall not have any liability to such personnel for their compensation, employee benefits and taxes (including withholding) attributable to the terms of this Agreement. To the extent personnel are provided by the Providing Party pursuant to this Agreement, such personnel shall, with respect to services they perform on behalf of such Receiving Party, at all times act (including service as an officer and/or director or in a similar capacity) solely on behalf of and under the supervision of the board of directors and officers of such Receiving Party.

2.7 Status of Facilities. No Facility used in performing Services that is provided by a Providing Party hereunder shall be deemed to be transferred, assigned, conveyed or leased by performance pursuant to this Agreement, except as a Providing Party and the relevant Receiving Party may otherwise agree in writing.

2.8 Exercise of Judgment in Rendering Services. In performing any Services other than TPA Services that require the exercise of judgment by a Providing Party, the relevant Providing Party shall endeavor to perform such Services in accordance with such Providing Party's standard policies, procedures and practices in effect as of the Effective Date and as may be changed from time to time, or pursuant to any reasonable and appropriate standards and guidelines the relevant Receiving Party develops and communicates to such Providing Party.

In providing any TPA Services hereunder which require the exercise of judgment by a Providing Party, such Providing Party will endeavor to perform such TPA Services in accordance with any reasonable and appropriate guidelines, procedures and directives that the Receiving Party develops and communicates to such Providing Party. The Receiving Party shall give the Providing Party at least thirty (30) days' prior written notice of any new or changed guidelines, procedures or directives. Additionally, in performing any TPA Services hereunder, any Providing Party shall at all times act in a manner reasonably calculated to be in, or not opposed to, the best interests of the Receiving Party.

2.9 Communications. If a Providing Party is required to communicate with third parties on behalf of a Receiving Party hereunder, the relevant Providing Party shall do so only in the name of the relevant Receiving Party and shall not make reference to itself in such regard, except to indicate that it is acting as a third-party administrator for such Receiving Party (if applicable). For example, any written communication by such Providing Party on behalf of such Receiving Party shall identify such Receiving Party (e.g., on such Receiving Party's stationery or letterhead) as the source thereof. Any booklets, termination notices, or other written communications provided by a Receiving Party to MSS or another Providing Party providing TPA Services for delivery to such Receiving Party's policyholders shall be delivered by MSS or such other Providing Party promptly after receipt of instructions from such Receiving Party to deliver them. To the extent that MSS or another Providing Party providing TPA Services may use brochures and other materials and

literature in connection with performing TPA Services that mention a Receiving Party, its products or services in any way, such materials shall require the written approval of such Receiving Party prior to use. Similarly, such Receiving Party must approve in writing in advance before any information related to its products will be displayed on any website.

2.10 State Policyholder Deposits. Each Providing Party shall ensure that any vendor that is designated to perform any Services that require licensing as a third party administrator shall deposit in trust for the benefit of policyholders of the relevant Receiving Party such amounts as may be required pursuant to any applicable laws and regulations governing such vendor's conduct as a licensed third party administrator.

2.11 Service Procedures. If a Providing Party is unable to perform any of the Services or provide any of the Facilities (including in compliance with applicable laws and regulatory requirements) when requested for any reason, the relevant Providing Party shall immediately notify the relevant Requesting Party so that such Requesting Party can make alternative arrangements. In connection with Services performed and Facilities provided to a Receiving Party, the relevant Receiving Party shall adopt reasonable measures to limit its exposure with respect to any potential losses and damages, including, but not limited to, periodic examination and confirmation of results, provision for identification and correction of errors and omissions, preparation and storage of backup data, virus prevention, business continuity and disaster recovery. Each Providing Party acknowledges its obligation to act in accordance with its own and any relevant enterprise-wide policies to regularly test its business recovery systems to ensure the continuity of the Services to be performed in the event of problems affecting the services and operations, including service breakdowns, natural disasters and other events.

2.12 No Lien. No Party shall have or acquire title to, or establish any lien over or interest on, any property of another Party used in performing Services or providing Facilities, except as the relevant Parties may otherwise agree in writing.

2.13 Control. The activities of any Providing Party in performing TPA Services hereunder shall be subject to the supervision and control of the applicable Receiving Party, and such Receiving Party shall monitor the performance of TPA Services by such Providing Party at least annually or more frequently as required by applicable law or regulation for quality assurance. Notwithstanding the foregoing, the provision or receipt of Services (including TPA Services) or Facilities shall in no way impair the absolute control of, and the absolute right and responsibility to supervise, direct and oversee, the business and operations of each of the Parties by its own officers (if relevant) and board of directors.

2.14 Supervision and Records.

(a) Each Providing Party shall, with respect to each Receiving Party to which it is performing Services or providing Facilities, cooperate fully with such Receiving Party in complying with any governmental or quasi-governmental agency or authority, including any state insurance department ("**Governmental Authority"**), or law applicable to the Services and Facilities such Providing Party performs or provides. Each Receiving Party shall be entitled to supervise the Services performed and Facilities provided to it, to issue general guidelines and

individual instructions to the Providing Party as to what has to be taken into account in providing the Services, subject to reasonable notice, and, subject to Section 3.2, terminate or revise such Services and Facilities to the extent it shall deem necessary. Each Party shall maintain its own books, accounts and records in such a way to disclose clearly and accurately the nature and details of the transactions between them, including such accounting information as is necessary to support the reasonableness of the charges hereunder, and such additional information as the relevant Receiving Party may reasonably request for purposes of compliance with applicable legal and regulatory obligations and its internal bookkeeping and accounting operations.

(b) Each Receiving Party may, at any time and without limitation, after giving appropriate notice, examine and inspect the method of Services being performed or Facilities being provided to it or arrange for the examination and inspection to be performed by third parties; *provided*, *however*, that the relevant Receiving Party shall ensure that any such third party shall be bound by confidentiality standards equivalent to those described in Section 2.18.

(c) All records, books and files developed or maintained by a Providing Party by reason of its performance of Services, which absent this Agreement would have been held by a particular Receiving Party, shall be deemed the property of such Receiving Party (the "**Owning Party**"), shall remain subject to the control of the Owning Party, and shall be maintained for the entire Term and otherwise in accordance with all applicable laws and regulations. Such records, books and files shall be available, upon reasonable prior notice and during normal business hours, for inspection by the Owning Party, anyone authorized by the Owning Party, and any Governmental Authority having jurisdiction over the Owning Party's business activities. Copies of such records, books and files shall be delivered to the Owning Party upon reasonable prior notice. The Providing Party shall promptly deliver to the Owning Party all such physical records, books and files with respect to the Owning Party upon termination of this Agreement. Each Party shall further maintain duplicate copies of all physical records, books and files for at least seven (7) years following termination of this Agreement or such longer period as required by law or regulation or internal policies.

2.15 Audit. Each Receiving Party and persons authorized by it or any Governmental Authority having jurisdiction over it shall have the right, at the expense of such Receiving Party, to conduct an audit of the relevant books, accounts and records of the relevant Providing Party upon giving reasonable notice of its intent to conduct such an audit and such Governmental Authorities shall also have the right to address questions directly to the Providing Party, which the Providing Party shall respond to in a timely manner. In the event of such audit, such Providing Party shall give to such Receiving Party reasonable cooperation and access to all books, accounts and records necessary to audit during normal business hours. Alternatively, as instructed by any Governmental Authority, such Providing Party shall deliver photocopies of any physical records requested by such Governmental Authority promptly following receipt of any such instruction.

2.16 Books of Account. Each Party shall maintain its own books, accounts and records in such a way as to disclose clearly and accurately the nature and details of the transactions between them, including such accounting information as is necessary to support the charges under this Agreement and such additional information as any Party may reasonably request for purposes of its internal bookkeeping and accounting operations. Each Providing Party shall keep all such

books, accounts and records available for audit, inspection and copying by each Receiving Party and persons authorized by it or any Governmental Authority having jurisdiction over such Receiving Party during all reasonable business hours upon reasonable prior notice. Copies of such books, accounts and records shall be delivered to any Receiving Party on demand.

2.17 Privacy.

(a) Personally Identifiable Information (PII). Names, addresses, email addresses, phone numbers, social security numbers, dates of birth, and other information relating to an identified or identifiable individual is hereinafter collectively referred to as "**PII**," and are deemed to constitute Confidential Information. A Receiving Party's PII may only be used by the relevant Providing Party to perform its obligations under this Agreement; provided, however, that nothing contained herein shall preclude such Providing Party from using data obtained from Confidential Information that is not PII for the purpose of data compilation, statistical analyses, and other studies.

(b) Each Providing Party shall (i) Process the relevant Receiving Party's PII consistent with this Agreement and all applicable laws and regulations, (ii) not Process such Receiving Party's PII for any other purpose, (iii) only Process such Receiving Party's PII on servers housed in the country in which such Receiving Party originally delivered the PII to the relevant Providing Party or to which access was granted by such Receiving Party unless otherwise approved by such Receiving Party in writing, (iv) immediately stop Processing such Receiving Party's PII upon written request from such Receiving Party, and (v) not disclose, transfer or provide access to such Receiving Party's PII to any third party, including its Affiliates or agents, without such Receiving Party's prior written consent (which consent shall not be unreasonably withheld or delayed).

For purposes of this Agreement, "**Process**" or "**Processing**" means any operation or set of operations that are performed upon PII, whether or not by automatic means, such as collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, transfer, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction.

(c) Each Providing Party shall comply with all applicable laws and regulations governing or relating to privacy, data protection, data security, and the handling of data security breaches when Processing a Receiving Party's PII. When and as reasonably required by the relevant Receiving Party from time to time, the relevant Providing Party shall promptly execute and cause its Affiliates and agents to promptly execute supplemental security and data protection terms, and controller-to-processor data transfer agreements, on such other terms and conditions as shall be mutually agreed upon and as required for the Processing or transfer of such Receiving Party's PII in accordance with all applicable laws and regulations.

(d) Each Providing Party shall promptly notify the relevant Receiving Party upon receipt of any complaint or request (including "data subject access" requests) relating to the relevant Providing Party's obligations under the relevant data protection law or regulation that may impact such Receiving Party. Such Providing Party shall provide cooperation and assistance in relation to such complaint or request as reasonably requested by such Receiving Party, including

acting timely in accordance with such Receiving Party's instructions and timetables. When and as required by such Receiving Party, such Providing Party shall assist such Receiving Party in identifying, copying, preserving, or producing such Receiving Party's PII that is (i) in the possession of such Providing Party, its Affiliates or agents, or (ii) stored in facilities under management or control of such Providing Party, its Affiliates or agents, including for purposes of such Receiving Party satisfying the order or request of a Governmental Authority or a third party with access rights over such Receiving Party's PII.

(e) In the event that a Providing Party shall have access to any Protected Health Information ("**PHI**"), as such term is defined in the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, as same may be further amended from time to time, the HIPAA Requirements attached hereto as Exhibit A shall be deemed to be incorporated herein by reference.

2.18 Confidential Information.

(a) Each Party hereby agrees that it shall not use or disclose or cause or suffer to be disclosed to any person, whether for its own purposes or as the agent or consultant of any person, any Confidential Information of another Party, except as may be required for the proper performance of this Agreement or by law, any Governmental Authority or by order of a court of competent jurisdiction. For purposes of this Agreement, "**Confidential Information**" shall mean information that is identified on its face as "confidential" and any information relating to the practice, organization, business transactions, finances or affairs of any Party to this Agreement. In addition, any Party retaining the services of a provider of Vendor Services shall require such provider of Vendor Services to hold and use any information provided in connection therewith for the sole and exclusive purpose of performing its obligations and have in place proper procedures to protect the confidentiality of the information.

(b) The obligation of confidentiality with respect to Confidential Information of another Party shall not apply to any information disclosed by the recipient of such Confidential Information (i) if and to the extent that disclosure by such recipient is required by any applicable law, court, Governmental Authority, or subpoena or discovery request in pending litigation, (ii) if the information is or becomes available from public information (other than as a result of prior unauthorized disclosure by such recipient), (iii) if the information is or was received from a third party not known by such recipient to be under a confidentiality obligation with regard to such information, or (iv) if the information was in the possession of such recipient other than by reason of the Services performed or Facilities provided.

(c) Except as provided herein, no rights to Confidential Information of another Party are transferred to the recipient of such Confidential Information.

(d) All Confidential Information (including any copies) shall either be promptly (i) returned to the provider of such Confidential Information or (ii) (except as otherwise provided in Section 2.14(c)) destroyed, in both cases, upon the request of such provider or following the expiration or earlier termination of this Agreement. Notwithstanding anything herein to the contrary, each Party shall be permitted to retain a copy of another Party's Confidential Information

for archival or audit purposes until such Party's retention timeframe expires, at which point such Confidential Information shall be destroyed. Any Confidential Information of another Party that is not destroyed shall be protected in accordance with the terms of this Agreement.

(e) In relation to the destruction of Confidential Information of another Party as contemplated in this Section, the relevant Party shall to the extent reasonably practicable (i) wipe clean the device memory on all equipment and machines on which such Confidential Information is placed, and (ii) sanitize storage media, as well as temporary files and back up files, on which such Confidential Information is stored, at the time of disposal or such Party's retention timeframe for archival or audit purposes expires.

2.19 Data Security.

(a) Each Party shall implement and maintain appropriate technical and organizational measures and other protections for Confidential Information, including, as appropriate, (i) network based intrusion detection systems, penetration tests (conducted through the use of a party other than such Party), (ii) controls against unauthorized access (including, without limitation, viruses and malicious software), and (iii) encryption of all PII in external transit electronically.

(b) Each Party shall promptly and without delay report to each affected Party any unauthorized use, loss, or disclosure of PII or other Confidential Information of each such affected Party. Each Party responsible for the unauthorized use, loss or disclosure of PII or Confidential Information (the "**Responsible Party**") shall cooperate in investigating any such unauthorized use, loss, or disclosure, and shall take all reasonable actions as may be reasonably necessary or reasonably requested by each affected Party to mitigate the problem, including, without limitation, notifying affected individuals and/or Governmental Authorities, minimize any resulting damage, and review each affected Party's written recommendations to the Responsible Party to enhance its security measures. The Responsible Party shall report to each affected Party within ten (10) business days from the occurrence an executive summary of the forensic investigation or audit by a third party vendor. The Responsible Party agrees that it will not, unless legally required to do so, notify affected individuals and/or Governmental Authorities without contacting the affected Parties first and obtaining written instruction from them. Each Party agrees to contractually require that any agent to whom it transfers or discloses Confidential Information (including, without limitation, PII) pursuant to this Agreement promptly notifies such Party of any privacy or data security breaches, who, in turn, shall promptly report this information to the affected Parties.

(c) Subject to the requirements of Sections 2.14(c) and 2.18(d), each Providing Party shall cooperate fully with the relevant Receiving Party's reasonable requests for access to, correction of, and destruction of such Receiving Party's PII in the relevant Providing Party's possession. Furthermore, such Receiving Party, its agents, and any Governmental Authority having authority over it, may, upon prior written notice to such Providing Party, and to the extent relevant to the security of Confidential Information, audit such Providing Party's records, security practices and data processing activities, and speak with such Providing Party's personnel who are familiar with such records, practices and activities. Such Providing Party shall make all reasonable efforts to comply with all reasonable instructions or other requirements provided or issued by such Receiving Party from time to time relating to such Receiving Party's PII to the extent such

Providing Party reasonably determines such compliance is appropriate for the performance of its obligations hereunder and complies with all applicable laws and regulations. If such Providing Party does not believe such compliance is appropriate, it shall promptly notify such Receiving Party, and such Providing Party and Receiving Party will discuss and determine how to proceed.

2.20 TPA Services.

(a) MSS or any other applicable Providing Party will provide TPA Services in connection with certain life, annuity or accident and health insurance products issued by certain Receiving Parties. Each such Receiving Party shall be responsible for determining the benefits, rates, underwriting criteria, and claims payment procedures in connection with the products, and for securing reinsurance, if any. It shall be the sole responsibility of such Receiving Party to provide for competent administration of its products.

(b) Collection and Remittance of Premium. All funds and invested assets of a Receiving Party that are held by MSS or another Providing Party providing TPA Services hereunder are the exclusive property of such Receiving Party, held for its benefit and are subject to its control. MSS or such other Providing Party shall hold all insurance charges and premium contributions collected by it on behalf of a Receiving Party and charges and premiums returned by a Receiving Party in a fiduciary capacity. Such funds shall not be used as general operating funds of the Providing Party but shall be transferred to accounts owned by the Receiving Party or to the person(s) entitled to them immediately after they are processed from the lockboxes where the funds are received. If funds are being held on behalf of more than one party, the Providing Party shall maintain detailed records that clearly indicated the funds belonging to such Receiving Party. The Providing Party will not bill or seek to collect any premiums hereunder from policyholders or insureds or their dependents, in connection with business administered on behalf of the Receiving Party, in excess of the amounts that have been expressly agreed to in writing by such Receiving Party. The Providing Party will not bill or seek to collect any billing charges for any Receiving Party business on any invoice, premium statement, or bill for such Receiving Party products, unless agreed to in writing by such Receiving Party. The Providing Party must identify and state separately in writing to the person paying to it any charge or premium for insurance coverage the amount of any such charge or premium specified by the Receiving Party for such insurance coverage. The Providing Party will issue disbursement checks on behalf of the Receiving Party from such Receiving Party's bank accounts.

(c) TPA as Intermediary. As required by applicable law, ordinances, rules and regulations of any and all federal, state, municipal and non-U.S. regulatory authorities (collectively, "**Law**"), insurance charges and premium contributions paid to MSS or another Providing Party by or on behalf of a Receiving Party insured shall be considered to be received by such Receiving Party, and returned premiums transmitted by a Receiving Party to a Providing Party shall not be considered payment to a Receiving Party insured until received by such insured. Nothing herein shall limit any right of a Receiving Party against a Providing Party resulting from such Providing Party's failure to make payments to such Receiving Party, its insureds or claimants. The Providing Party shall provide a written notice approved by the applicable Receiving Party to insured individuals, advising them of the identity of, and relationship between, such Providing Party and Receiving Party.

(d) Insurance. MSS or any other Providing Party providing TPA Services shall maintain fidelity coverage, including coverage for the acts of its employees, for the duration of this Agreement, with continuing liability for claims submitted after this Agreement terminates. Such Providing Party shall also maintain an errors and omissions liability policy in a reasonable amount to cover any loss arising as a result of any real or alleged negligence on the part of the Providing Party, its directors, officers, or employees in any aspect of the performance of its duties while providing TPA Services hereunder. Such Providing Party's failure at any time to maintain errors and omissions insurance shall not serve as a waiver of the obligations set forth in this section.

(e) Regulatory Compliance. The Parties shall comply with all applicable Law, including any third-party administrator licensing laws, including but not limited to the provisions of the state specific addenda in Schedule 2 attached hereto to the extent applicable to the TPA Services. If required by applicable Law, MSS and any other Providing Party providing TPA Services certifies that it holds a certificate of registration as a third-party administrator (and posted any bond required), and/or that it is licensed as a third-party administrator by any Governmental Authority or other applicable regulatory body of any states in which it will perform the TPA Services of a third-party administrator pursuant to this Agreement. Such Providing Party shall produce a copy of said license or certificate of registration to the applicable Receiving Party upon written request. To the extent the Providing Party's third-party administrator license or certificate becomes curtailed, expired or is otherwise limited, such Providing Party shall immediately notify any Receiving Party receiving TPA Services from it in writing. The Providing Party shall be responsible for its compliance with any Law applicable to its provision of TPA Services pursuant to this Agreement, and nothing in this Agreement shall be read to require a Receiving Party receiving TPA Services to undertake such responsibility.

(f) Receiving Party as Underwriter. As required by applicable Law, premium notices shall identify, without limitation, the Receiving Party receiving TPA Services as the underwriter where applicable and specify the amount of premium for each type of coverage.

(g) Insurance Policies. As required by applicable Law, any Receiving Party receiving TPA Services shall provide insurance policies for the applicable Providing Party to distribute to persons insured under such coverage. The Providing Party shall distribute the policies promptly in accordance with written instructions (the "**Instructions**") provided by the Receiving Party to the Providing Party, as such Instructions may be modified from time to time in such Receiving Party's sole discretion and in compliance with all applicable Laws, including but not limited to, e-commerce Laws. The Providing Party shall distribute the policies as they are produced by the Receiving Party and agrees that it will in no way modify the format or content of the policies.

(h) Claims Processing. As required by applicable Law, MSS and any other Providing Party providing TPA Services will issue claim checks on behalf of the applicable Receiving Party from that Receiving Party's bank accounts. The compensation to such Providing Party for adjusting or settling claims on behalf of a Receiving Party hereunder shall in no way be contingent on claim experience or the savings realized by the Providing Party by adjusting, settling or paying the losses covered by the Receiving Party. This section does not prevent the compensation paid to

a Providing Party from being based on premiums or charges collected or number of claims paid or processed.

(i) Permission to Use Marks. During the Term of this Agreement and subject to the terms and conditions of Schedule 4 to this Agreement, each Party providing or receiving TPA Services hereby, grants to each Party providing TPA Services to it or receiving TPA Services from it permission to use its Marks, as appropriate in connection with administering the Receiving Party's products under this Agreement. Each Party shall have only those rights in or to the Marks as expressly granted therein. Nothing contained in this Section 2.20(i) shall be construed as conferring any right to use or refer to in advertising, publicity, promotion, marketing or any other activity, any Marks of the other Party or any of its Affiliates without the prior written consent of the other Party.

2.21 [redacted]

[redacted]

ARTICLE 3

TERM AND TERMINATION

3.1 Term. The initial term of this Agreement shall commence on the Effective Date, and, unless earlier terminated pursuant to Section 3.2, shall expire on the date that is three (3) years from such date (the "**Initial Term**"). This Agreement shall be automatically renewed after the Initial Term for successive one (1) year terms (the "**Renewal Terms**"); *provided, however,* that this Agreement may be terminated at any time by mutual agreement of the Parties. The Initial Term and all successive Renewal Terms are herein collectively referred to as the "**Term**."

3.2 Early Termination.

(a) Notwithstanding Section 3.1, any Party may cease to be a party to this Agreement and terminate this Agreement solely with respect to such terminating Party (i) at any time and for any reason or for no reason upon providing ninety (90) days' prior written notice to all other Parties to which it provides or receives Services, Licensed Intellectual Property or Facilities, (ii) in the event the terminating Party ceases to be a member of the MetLife Group, or (iii) if required by a Governmental Authority.

(b) Notwithstanding Section 3.1, if any Party Materially Defaults (as defined in Section 3.2(d)) hereunder, a non-defaulting Party may terminate this Agreement solely as between such defaulting Party and such terminating Party effective immediately (subject to the cure periods set forth in Section 3.2(d)) upon written notice to the defaulting Party.

(c) Notwithstanding Section 3.1 and Section 3.2(b), any Party may terminate any of the Services performed, licenses to the Licensed Intellectual Property or Facilities provided by or to another Party hereunder (i) at any time and for any reason or for no reason upon providing ninety (90) days' prior written notice to such other Party, (ii) in the event of a Material Default by such other Party (subject to the cure period provided in Section 3.2(d)), (iii) in the event such other Party ceases to be a member of the MetLife Group, or (iv) if required to do so by a Governmental Authority.

(d) The following events shall be deemed to be "**Material Defaults**" hereunder:

(i) Failure by any Party to make any payment required to be made to another Party hereunder or under an agreement related to the provision of Services or Facilities, which failure is not remedied within thirty (30) days after receipt of written notice thereof;

(ii) Except as otherwise provided herein, failure by any Party to substantially perform or provide in accordance with the terms and conditions of this Agreement related to the provision or licensing, as applicable, of the Services, Licensed Intellectual Property or Facilities, which failure is not remedied within ninety (90) days after receipt of written notice from a Party affected by such failure to perform or provide specifying the nature of such default; or

(iii) Filing of a voluntary bankruptcy or insolvency petition by any Party; filing of an involuntary bankruptcy or insolvency petition against any Party that is not withdrawn within ninety (90) days after filing; assignment for the benefit of creditors made by any Party; or appointment of a receiver or administrator for any Party.

(e) Notwithstanding anything in this Agreement to the contrary:

(i) if SVWI is placed in delinquency proceedings or seized by the Commissioner of the Wisconsin Office of the Commissioner of Insurance (the "**Commissioner**") under ch. 645. Wis. Stats.:

A. all of the rights of SVWI under this Agreement shall extend to the receiver or Commissioner; and
B. all books and records maintained by the relevant Providing Party under or relating to this Agreement shall immediately be made available to the receiver or the Commissioner, and shall be turned over to the receiver or the Commissioner immediately upon the receiver or the Commissioner's request;

(ii) the relevant Providing Party has no automatic right to terminate this Agreement if SVWI is placed in receivership pursuant to ch. 645, Wis. Stats.; and

(iii) the relevant Providing Party shall continue to maintain any systems, programs, or other infrastructure notwithstanding a delinquency proceeding or seizure by the Commissioner under ch. 645, Wis. Stats., and shall make them available to the receiver, for so long as such Providing Party continues to receive timely payment for Services rendered hereunder.

3.3 Post Expiration or Termination.

(a) In the event of either the expiration or earlier termination of this Agreement with respect to all Parties, each Party shall, at the request of another Party, continue to carry out the activities provided for herein for a reasonable period of time to facilitate a smooth transition to the changed circumstances.

(b) In the event of the termination of this Agreement solely with respect to a particular Party, each applicable Party shall continue to carry out the activities provided for herein for a reasonable period of time to facilitate a smooth transition to the changed circumstances.

3.4 Provisions Surviving Termination. In the event this Agreement is terminated, whether in its entirety or solely with respect to a particular Party, the provisions of Sections 2.6,

2.14, 2.15, 2.16, 2.17, 2.18, 2.19, 2.21(c), 3.3, 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.8, 5.9, 5.10, 5.11, and 5.15 shall survive such termination.

ARTICLE 4

COMPENSATION AND PAYMENT

4.1 Compensation for Services, Intellectual Property and Facilities.

(a) In consideration for each of the Services (including any applicable Stewardship Assistance) performed, the license of the Licensed Intellectual Property hereunder, and Facilities (including any Services or Facilities comprising overhead) provided by a Providing Party, the relevant Receiving Party shall pay to such Providing Party as compensation an amount equal to all expenses, direct and indirect (including Bonus Charges accrued), reasonably and equitably determined by the Providing Party to be attributable to the Receiving Party for Services, Licensed Intellectual Property and Facilities provided by the Providing Party to the Receiving Party pursuant hereto, except to the extent applicable law provides otherwise. The bases for determining all direct and indirect costs allocated to the Receiving Party shall be based upon MetLife, Inc.'s customary enterprise-wide practices for internal cost allocations. Such bases shall be modified and adjusted where necessary and appropriate to reflect fairly and equitably the actual incidence of cost incurred by a Providing Party on behalf of a Receiving Party.

(b) The determination of charges for Services performed, Licensed Intellectual Property licensed, and/or Facilities provided by a Providing Party shall be conclusive as between the relevant Providing Party and the relevant Receiving Party, except that if a Receiving Party objects to any such determination, it shall so advise the relevant Providing Party and attempt to reconcile such objection within thirty (30) days of receipt of notice of said determination.

(c) Unless the relevant Parties can reconcile such objection, or otherwise agree, they shall select a firm of independent certified public accountants that shall determine the charges properly allocable to the relevant Receiving Party and shall, within a reasonable time, submit such determination, together with the basis therefor, in writing to such relevant Parties, whereupon such determination shall be binding. The expenses of any such determination by a firm of independent certified public accountants shall be borne as determined to be equitable by such accountants.

4.2 Payment for Services, Intellectual Property and Facilities.

(a) The relevant Providing Party shall provide, within thirty (30) days after the end of each calendar month or quarter (or such other period as such Parties may agree, provided that such other interval is not greater than quarterly), a written statement (or by way of any electronic alternative that is accessible on any shared journal entry system) showing the charges due from such Receiving Party to such Providing Party for Services, Licensed Intellectual Property, Vendor Services and/or Facilities in the preceding period, as well as any charges not included in any previous statement.

(b) The statement (either written or by way of any electronic alternative that is accessible on any shared journal entry system) shall contain details sufficient to substantiate the charges and shall be stated in the currency of the relevant Providing Party. Payments shall be made in cash, through adjustments to inter-company accounts, or any other reasonable method agreed to by the relevant Parties, taking into account any payments made under Section 4.2(c) below, and shall be in the currency of the statement. Payment shall be due no more than thirty (30) days following the date of receipt of a statement by the Receiving Party, unless the relevant Parties mutually agree in writing to a longer payment term and specific due date. Payment of compensation hereunder (i) shall be reduced by any amount the payor is required to withhold with respect to income, franchise or other direct taxes imposed on the payee, with respect to such transaction, (ii) shall not be reduced by any value-added tax or other indirect tax to which the payor is subject with respect to such transaction, and (iii) may be modified and adjusted where necessary or appropriate to reflect fairly, equitably and reasonably the actual incidence of cost incurred by the relevant Providing Party performing Services, licensing the Licensed Intellectual Property and/or providing Facilities to the relevant Receiving Party.

(c) With respect to Compensation Charges attributable to Services provided hereunder, MSS shall submit to the relevant Receiving Party the following: (i) at least three (3) business days before each Payroll Payment Date, a Payroll Prefunding Report showing the estimated Payroll Charges with respect to the related Payroll Period due from such Receiving Party to MSS for Services pursuant to this Agreement and, as practicable, any outstanding Off-Cycle Payroll Charges from the current or prior Payroll Period; and (ii) at least three (3) business days before each Material Off-Cycle Compensation Charges Payment Date, a statement (either written or by way of any electronic alternative that is accessible on any shared journal entry system) showing the estimated Material Off-Cycle Compensation Charges due from such Receiving Party to MSS for Services pursuant to this Agreement. Any balance payable as shown in any report or statement shall be due to MSS no later than 5:00pm, Eastern Time, on the second business day preceding the Payroll Payment Date or the Material Off-Cycle Compensation Charges Payment Date that is the subject of such report or statement subject to later adjustment if and as determined in accordance with Section 4.1. Notwithstanding the foregoing, MSS and the relevant Receiving Party may agree to a reasonable alternative prefunding approach for Compensation Charges with the written consent of each of the relevant Parties.

(d) The settlement of any balance payable pursuant to this Section 4.2 shall be in accordance with the requirements in the National Association of Insurance Commissioners' Accounting Practices and Procedures Manual.

(e) A Receiving Party shall not advance funds to the relevant Providing Party except to pay for the Services to be provided hereunder.

4.3 Reimbursement for Vendor Services. Fees and expenses, direct and indirect (including those assumed by the Providing Party from another member of the MetLife Group prior to the Effective Date), reasonably and equitably determined by the Providing Party to be attributable to the Receiving Party for Vendor Services procured by the Providing Party, shall be (i) paid directly by the relevant Receiving Party, or (ii) reimbursed by such Receiving Party to the Providing Party contracting for the Vendor Services. Any charges payable directly or indirectly by

the Providing Party for Services performed, Intellectual Property licensed or Facilities provided by a provider of Vendor Services that is an Affiliate of the Providing Party shall be charged to the Providing Party as set forth in Schedule 3 attached hereto. The bases for determining all direct and indirect costs allocated to the Receiving Party under this Section 4.3 shall be in accordance with those specified in Section 4.1(a). Payment shall be made promptly by the relevant Receiving Party upon its receipt of an invoice provided directly by the provider of Vendor Services. With respect to fees and expenses for Vendor Services advanced by the Providing Party on behalf of the Receiving Party, reimbursement for such fees and expenses shown on a reimbursement expense report from the relevant Providing Party shall be made by the relevant Receiving Party in accordance with Section 4.2(b). No expenses paid or reimbursed in accordance with this Section 4.3 shall be included in calculating the compensation under Section 4.1.

4.4 Settlement Upon Termination. No later than ninety (90) days after the effective date of termination of this Agreement, each Party shall deliver to each other Party that received Services, Licensed Intellectual Property and/or Facilities a detailed written statement (or by way of any electronic alternative that is accessible on any shared journal entry system) for all charges incurred and not included in any previous statement to the effective date of the termination. The amounts (if any) owed hereunder shall be due and payable within thirty (30) days of receipt of such statement, unless otherwise agreed to in writing by the relevant Parties.

4.5 Receipt as to Certain Withheld Tax. If any Party shall be required by any applicable law or regulation to deduct or withhold any taxes on a payment under Section 4.2, the withholding Party shall (i) make such deductions or withholdings, (ii) pay the full amount deducted or withheld to the relevant taxation authority or other authority in accordance with all applicable laws and regulations, and (iii) provide the relevant Party with an original or duplicate original receipt from the relevant taxation authority evidencing payment of such deducted or withheld amount (or other documentation proving payment of such deducted or withheld taxes that is acceptable to the relevant Party). Such receipt or other documentation shall be provided within a reasonable period after the date of the statement referred to in Section 4.2. If the withholding Party fails to provide such receipt or documentation, then it shall immediately pay to the relevant Party the full amount deducted or withheld. For the avoidance of doubt, “tax” or “taxes” includes income taxes as well as indirect taxes, including but not limited to value added tax, imposed by the taxing authority in the U.S. or any other jurisdiction.

ARTICLE 5

GENERAL PROVISIONS

5.1 Laws and Regulations. Each Party shall be responsible for compliance with all laws and regulations affecting or applicable to its business and any use it may make of the Services, Licensed Intellectual Property or Facilities to assist it in complying with such laws and regulations. While no Providing Party shall have any responsibility for any Receiving Party’s compliance with the laws and regulations referred to above, each Providing Party agrees to use commercially reasonable efforts to cause the Services to be performed or the Facilities to be provided by it in such manner that it will be able to assist the relevant Receiving Party in complying with its applicable legal and regulatory responsibilities as related thereto. In no event, however, may any

Receiving Party rely solely on its use of the Services or Facilities in complying with any law or regulation.

5.2 Force Majeure. No Party shall incur any liability to any other Party due to a failure to perform under the terms and conditions of this Agreement resulting from fire, flood, war, strike, lock-out, work stoppage or slow-down, labor disturbances, power failure, major equipment breakdowns, construction delays, accident, riots, acts of God, laws, orders or at the insistence or result of any Governmental Authority or any other event beyond such Party's reasonable control. In addition, no Party shall be liable or deemed to be in default for any delay or failure to perform hereunder resulting, directly or indirectly, from any cause beyond that Party's reasonable control, including limitations upon the availability of communications facilities or failures of another Party or other communications equipment.

5.3 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by a Party (whether by operation of law or otherwise) without the prior written consent of the other Party. Any purported or attempted assignment without such written consent shall be null and void.

5.4 Headings: References. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Reference to any Section of, Schedule of, or Exhibit to this Agreement shall be deemed to mean each of them as the same may be amended from time to time in accordance with Section 5.12. The meaning assigned to each term defined herein shall be equally applicable to both the singular and plural forms of such term. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

5.5 Severability: Enforcement. The invalidity of any portion of this Agreement shall not affect the validity, force or effect of the remaining portions of this Agreement. If it is ever held that any covenant hereunder is too extensive in any respect to permit enforcement of such covenant to its fullest extent, each Party agrees that a court of competent jurisdiction may enforce such covenant to the maximum extent permitted by law, and each Party hereby consents and agrees that such scope may be judicially modified accordingly in any proceeding brought to enforce such covenant.

5.6 Notices. All notices, statements or requests provided for hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) (a) by delivery in person, (b) by overnight courier service, (c) by email with receipt confirmation or (d) by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses:

If to MetLife Services and Solutions, LLC:

MetLife Services and Solutions, LLC
200 Park Avenue
New York, NY 10166
U.S.A.

Attention: Corporate Secretary
Copy to: General Counsel

If to Superior Vision Insurance Plan of Wisconsin, Inc.:

Superior Vision Insurance Plan of Wisconsin, Inc.
939 Elkridge Landing Road, Suite #200
Linthicum, MD 21090
Attention: Corporate Controller
Copy to: General Counsel

5.7 Waiver. Each Party agrees that the waiver of any default under any term or condition of this Agreement shall not constitute any waiver of any subsequent default or rights herein or nullify the effectiveness of that term or condition. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such Party.

5.8 Liability and Indemnity. Each Party shall have no liability for any action taken or omitted by such Party in performing Services, licensing Licensed Intellectual Property or providing Facilities in good faith and without gross negligence. Each Providing Party shall indemnify and hold harmless the relevant Receiving Party from and against all and any claims, rights, remedies, costs, expenses or proceedings of whatever nature whether, but not by way of limitation, arising at common law or under statute against such Receiving Party arising out of the fraud, dishonesty, willful misconduct or gross negligence of any personnel of such Providing Party during the Term.

5.9 Arbitration. Any unresolved dispute or difference between the Parties arising out of or relating to this Agreement, or the breach thereof, shall be finally settled by arbitration in accordance with the American Arbitration Association and the Expedited Procedures thereof, the cost of which shall be borne equally by the parties to such arbitration. The written award rendered by the arbitrator shall be final and binding upon the relevant Parties, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and having jurisdiction over the relevant Parties or their assets. The arbitration shall take place as mutually determined by such relevant Parties or the arbitrator in the absence of an agreement by such relevant Parties. The substantive law of the State of New York, U.S.A. shall apply in such proceedings.

5.10 Choice of Law and Forum. This Agreement, and any disputes arising out of or in connection with this Agreement, shall be governed by and construed in accordance with the laws of the State of New York, U.S.A., excluding its rules governing conflicts of laws. The courts located within the State of New York, U.S.A. shall have exclusive jurisdiction to adjudicate any disputes arising out of or in connection with this Agreement. Each Party specifically consents to the exercise of personal jurisdiction by such courts.

5.11 Entire Agreement; No Third-Party Beneficiaries. This Agreement, including the Schedules and Exhibits attached hereto, constitutes the entire understanding between the Parties

and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter covered by this Agreement. Except as expressly set forth herein, this Agreement is not intended to confer upon any person other than the Parties any rights or remedies hereunder.

5.12 Amendment. Subject to Section 5.5, no Section of this Agreement, or the Schedules and Exhibits attached to this Agreement, may be amended except by an instrument in writing signed on behalf of each of the Parties affected thereby.

5.13 Counterparts. This Agreement may be executed in counterparts, which together shall be considered one and the same agreement and shall become effective as to the relevant Parties when all counterparts have been signed by such relevant Parties thereto and delivered to the other relevant Parties (including by facsimile), it being understood that all Parties need not sign the same counterpart. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall have the same force and effect as the delivery of an original executed counterpart of this Agreement.

5.14 Right to Contract with Third Parties. Each Receiving Party retains the right to contract with any third party, affiliated or unaffiliated, for the performance of Services or for the use of Facilities as are available to or have been requested by it pursuant to this Agreement.

5.15 No Agency. In performing Services, licensing the Licensed Intellectual Property, and providing Facilities, each Providing Party shall be acting as an independent contractor acting on its own account, and not as an agent or employee of the Receiving Party. Nothing hereunder shall create an agency relationship. Without limiting the foregoing, unless otherwise agreed, no Party shall have authority to legally bind another Party, and no Party shall represent that it has any such authority.

5.16 Severability. In the event that any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any such provision is held invalid or unenforceable by a court with jurisdiction over the Parties, such provision shall be deemed to be restated to reflect as nearly as possible the original intentions of the Parties in accordance with applicable law. The remaining provisions of this Agreement and the application of the challenged provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each such provision shall be valid and enforceable to the full extent permitted by law

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized representatives, effective as of the Effective Date.

METLIFE SERVICES AND SOLUTIONS, LLC

By:_____

Name: _____

Title: _____

SUPERIOR VISION INSURANCE PLAN OF WISCONSIN, INC.

By: _____

Name:_____

Title:_____

Schedule 1

1. Actuarial. Actuarial advice, assistance and the provision of services in the following areas: product design and pricing, inforce management, asset/liability management, statutory, GAAP and tax valuation, reinsurance treaties, and any other actuarial issues; asset and liability projections, as required, to support the relevant Receiving Party's portfolio management, liquidity management, business plans, statutory cash flow testing, GAAP loss recognition, and capital management; preparation of the actuarial aspects of financial reports for the business as required by such Receiving Party for regulatory, GAAP, tax, or other reasons, and implementation of controls related to the creation of these reports; and provision of services of an appointed/chief actuary, and staff, who will serve as such Receiving Party's actuary and perform the following functions: conduct asset adequacy analysis of such Receiving Party's reserves, and certify them as necessary for reporting purposes, oversee such Receiving Party's actuarial functions with respect to the standard of practice employed, and review the quality of financial management practices of the underwriting staff of such Receiving Party.

2. Benefits Management and Benefit Plan Participation. Advice, assistance and the provision of services in the following areas: design, maintenance, and administration of the employee benefit programs developed by or on behalf of the relevant Receiving Party, including plans qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, nonqualified deferred compensation plans, welfare benefit plans, pension plans, other benefit or compensation plans, any other plans or programs developed by or on behalf of such Receiving Party for the benefit of its employees, whether active or retired, and any deferred compensation plans for members of such Receiving Party's board of directors; making available employee participation in employee benefit plans for which MetLife Group, Inc. (an affiliate within the MetLife Group) is, or becomes, the plan sponsor or obligor; making available employee participation in employee benefit plans for which Metropolitan Life Insurance Company (an affiliate within the MetLife Group) is the plan sponsor or obligor; determining changes to the foregoing plans needed to ensure that they achieve their objectives; assisting in compliance with regulations applicable to these plans, and setting appropriate levels of funding and helping oversee the investment of funds collected and set aside for these benefit plans; and designing and administering eligibility standards.

3. Claims. Underwriting and Policyholder Services. Advice, assistance and the provision of services in the following areas: (a) claims processing and payment services (with respect to contestable and non-contestable claims), including data entry and communications with policyholders, including answering telephone inquiries (received via toll-free numbers established by the relevant Receiving Party and otherwise), written communications (using such Receiving Party’s stationery), e-mail and any other means of communication; (b) underwriting services for such Receiving Party, including analyses of underwriting standards, development of appropriate underwriting standards and guidelines; review of insurance and annuity applications for conformity with underwriting criteria and all underwriting with respect to such applications, performance of all underwriting with respect to the insurance and annuity business subject to this Agreement; and designation as ready for issue insurance and annuity applications which fall within underwriting criteria; (c)

policyholder administrative and call center services, including receiving and processing insurance and annuity product applications, amendments and riders, generating the related insurance policies, annuity contracts, amendments and riders on such Receiving Party's paper, and transmitting all such policies, contracts, amendments and riders to such Receiving Party's customers on such Receiving Party's stationery, maintaining files relating to insurance policies and annuity contracts, print services management, billing such Receiving Party's customers, remittance processing, preparing and updating customer payment records to reflect premiums and annuity considerations paid to such Receiving Party, administering requested policy modifications consistent with underwriting guidelines and policyholder service procedures and responding to customer inquiries by telephone, letter, e-mail or other means of communication; and (d) services relating to such Receiving Party's responses to regulatory inquiries.

4. Communications. Advice, assistance, provision of services and design of various communications for use by the relevant Receiving Party with the public at large, policyholders of such Receiving Party, sales agents, and other groups.

5. Controller. Advice, assistance and the provision of services for accounting responsibilities, including the following: the preparation of journal entries and periodic financial reports for the business as required by the relevant Receiving Party for regulatory, tax, or other reasons; budgets, projections and performance analysis required to support such Receiving Party's operations and business plans; and maintenance of internal accounting controls.

6. Distribution & Marketing. Advice, assistance and the provision of services for sales, distribution and marketing services, including: advertising, public relations, branding related services, distribution related services, and other services as agreed upon by the relevant Parties.

7. General. Advice, assistance and the provision of general and administrative services, such as electronic data processing, internal audit, banking, payroll, licensing, accounts payable, paymaster arrangements, procurement, purchasing, supplying, shipping and receiving, printing and reproduction, forms and records administration, document imaging services, mail services, systems planning, telephone, property management, architectural and decorating, accounting, auditing, customer service, risk, reinsurance, tax, real estate and office services.

8. General Management. Advice, assistance and the provision of services for the development of overall organizational strategies and ensuring that the activities of the relevant Receiving Party are integrated in the plans and strategies so developed.

9. Human Resources. Advice, assistance and the provision of services, including actual processing, in the following areas: hiring, firing, compensation, benefits, training of employees, organizational development, and programs to promote employee health and welfare; provision and maintenance of a computerized system of employee records; and guidance and advice to managers and employees concerning the requirements of applicable company policies and practices.

10. Information Technology Services. To the extent not covered by a separate agreement, advice, assistance and the provision of support services with respect to information and communications systems and technology used to support the operations of the relevant Receiving Party, including: design, application development, program management, regional hosting, disaster recovery, network and security service, and other information technology support and services as agreed upon by the Parties.

11. Investment Support Services. Investment support and oversight as may be requested from time to time, including but not limited to: investment and liability management support relating to the relevant Receiving Party's general accounts and in connection with such Receiving Party's contractual relationships with third parties, including any separate accounts, affiliates and mutual funds; support and oversight of strategic and tactical asset allocation; development of investment guidelines, limits and policies; oversight and monitoring of investment management relationships with affiliated or third party managers and custodians; asset/liability management and investment accounting services; support for product design and pricing; review and/or preparation of internal corporate governance and investment related reports; and any services related to the foregoing or any other investment support or oversight as requested from time to time by such Receiving Party.

12. Legal and Compliance. Legal advice on litigation, product design, claims payment, taxation, corporate organization, employment, intellectual property, pension laws, reinsurance, investments, governmental relations, and any other legal issues, as well as compliance management, compliance policies and compliance investigations.

13. Office Services. Advice, assistance and the provision of office services, including form design, office layout and construction of same, supervision of moving, planning telephone installation in connection with moves, reproduction and maintaining and purging archives.

14. Product Management & Development. Advice, assistance and the provision of services for product management and development services, including: actuarial services, individual/institutional business services, hedging related services, and other services as agreed upon by the Parties.

15. Treasury. Oversee the treasury function of a Receiving Party, including performance or oversight of capital and cash management, banking relations, and creation and implementation of cash handling procedures; and oversee relationships with rating agencies.

16. Overhead. Advice, assistance and the provision of all other administrative services and facilities that comprise overhead.

Schedule 2

State-Specific TPA Language

Alaska Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement" or "contract"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as a "third-party administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when the third-party administrator is performing services in connection with residents of Alaska.

The Parties to the Agreement shall comply with Alaska General Statutes, Sections 21.27.630 through 21.27.660, inclusive, as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the third-party administrator.

(A) the insurer may terminate the contract for cause upon written notice sent by certified mail to the third-party administrator and may suspend the underwriting authority of the third-party administrator during a dispute regarding the cause for termination; but the insurer must fulfill all lawful obligations with respect to policies affected by the Agreement, regardless of any dispute between the insurer and the third-party administrator;

(B) the third-party administrator shall render accounts to the insurer detailing all transactions and remit all money due under the contract to the insurer at least monthly;

(C) all money collected for the account of an insurer shall be held by the third-party administrator as a fiduciary;

(D) all payments on behalf of the insurer shall be held by the third-party administrator as a fiduciary;

(E) the third-party administrator may not retain more than three months' estimated claims payments and allocated loss adjustment expenses;

(F) the third-party administrator shall maintain separate records for each insurer in a form usable by the insurer; the insurer or its authorized representative shall have the right to audit and the right to copy all accounts and records related to the insurer's business; the director, in addition to other authority granted in this title, shall have access to all books, bank accounts, and records of the third-party administrator in a form usable to the director; any trade secrets contained in books and records reviewed by the director, including the identity and addresses of policyholders and

certificate holders, shall be kept confidential, except that the director may use the information in a proceeding instituted against the third-party administrator or the insurer;

(G) the contract may not be assigned in whole or in part by the third-party administrator;

(H) if the contract permits the third-party administrator to do underwriting, the contract must include the following:

(i) the third-party administrator's maximum annual premium volume;

(ii) the rating system and basis of the rates to be charged;

(iii) the types of risks that may be written;

(iv) maximum limits of liability;

(v) applicable exclusions;

(vi) territorial limitations;

(vii) policy cancellation provisions;

(viii) the maximum policy term; and

(ix) that the insurer shall have the right to cancel or not renew a policy of insurance subject to applicable state law;

(I) if the contract permits the third-party administrator to administer claims on behalf of the insurer, the contract must include the following:

(i) written settlement authority must be provided by the insurer and may be terminated for cause upon the insurer's written notice sent by certified mail to the third-party administrator or upon the termination of the contract, but the insurer may suspend the settlement authority during a dispute regarding the cause of termination;

(ii) claims shall be reported to the insurer within 30 days;

(iii) a copy of the claim file shall be sent to the insurer upon request or as soon as it becomes known that the claim has the potential to exceed an amount determined by the director or exceeds the limit set by the insurer, whichever is less, involves a coverage dispute, may exceed the third-party administrator's claims settlement authority, is open for more than six months, involves extra contractual allegations, or is closed by payment in excess of an amount set by the director or an amount set by the insurer, whichever is less;

(iv) each party to the contract shall comply with unfair claims settlement statutes and regulations;

(v) transmission of electronic data must occur at least monthly if electronic claim files are in existence; and

(vi) claim files shall be the sole property of the insurer; upon an order of liquidation of the insurer, the third-party administrator shall have reasonable access to and the right to copy the files on a timely basis; and

(J) the contract may not provide for commissions, fees, or charges contingent upon savings obtained in the adjustment, settlement, and payment of losses covered by the insurer's obligations; but a third-party administrator may receive performance-based compensation for providing hospital or other auditing services or may receive compensation based on premiums or charges collected or the number of claims paid or processed.

(b) If the insurer is domiciled in this state or the third-party administrator has a place of business in this state, a copy of the contract must be filed with and approved by the director at least 30 days before the third-party administrator transacts business on behalf of the insurer. If the contract is not required to be approved in advance by the director, the insurer shall provide written notification to the director within 30 days of the entry into or termination of a contract with a third-party administrator; the notice must include a statement of duties to be performed by the third-party administrator on behalf of the insurer, the kinds and classes of insurance for which the third-party administrator has authorization to act, and other information required by the director.

(c) If the contract provides for the third-party administrator to receive or collect premiums, payment by or on behalf of the insured of premiums for insurance to the third-party administrator shall be presumed to have been received by the insurer; payment of return premiums or claim payments forwarded by the insurer to the third-party administrator may not be presumed to have been received by the person entitled to the money until the payments are received by the insured or claimant. Nothing in this subsection limits the rights that the insurer may have against the third-party administrator resulting from the failure of the third-party administrator to make payments to persons entitled to money.

Arizona Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "Insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Arizona.

The Parties to the Agreement shall comply with the below provisions insofar only as they are applicable to the duties performed by the Administrator.

1. The Insurer shall provide fifteen days' written notice to the Director (the "Director") of the Arizona Department of Insurance and Financial Institutions of termination or cancellation or any other change in the Agreement.

2. The Administrator shall maintain at the Administrator's principal administrative office for the duration of the Agreement and for five years thereafter adequate books and records of all transactions among the Administrator, Insurer and insured persons. The books and records shall be maintained in accordance with prudent standards of insurance record keeping.

3. The Director shall have access to books and records maintained by the Administrator for the purpose of examination, audit and inspection. Any trade secrets contained in the books and records, including the identity and addresses of policyholders and certificate holders, shall be confidential, except the Director may use the information in any proceedings instituted against the Administrator.

4. The Director may:
    a. Share nonpublic documents, materials or other information with other state, federal and international regulatory agencies, with the National Association of Insurance Commissioners and its affiliates and subsidiaries and with state, federal and international law enforcement authorities if the recipient agrees and warrants that it has the authority to maintain the confidentiality and privileged status of the documents, materials or other information.
    b. Receive documents, materials and other information from the National Association of Insurance Commissioners and its affiliates and subsidiaries and from regulatory and law enforcement officials of other jurisdictions and shall maintain as confidential or privileged any document, material or other information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material or other information.

c. Enter into agreements that govern the sharing and use of documents, materials and other information and that are consistent with this section.

5. A disclosure to or by the Director pursuant to Section 20-485.03 of the Arizona Insurance Code or as a result of sharing information pursuant to subsection C of such section is not a waiver of any applicable privilege or claim of confidentiality in the documents, materials or other information disclosed or shared.

6. The Insurer retains the right of continuing access to books and records maintained by the Administrator sufficient to permit the Insurer to fulfill all of its contractual obligations to insured persons, subject to any restrictions in the Agreement between the Insurer and Administrator on the proprietary rights of the parties in such books and records.

7. The Director may require an Administrator to provide, on a quarterly basis in a form acceptable to the Director, additional information that is necessary for the protection of the public.

8. The Director may examine the business practices, books and records of any Administrator as often as the director deems appropriate. The Administrator shall pay the cost of only one examination each year.

9. If charges or premiums deposited in a fiduciary account have been collected on behalf of or for more than one insurer, the Administrator shall keep records clearly recording the deposits in and withdrawals from such account on behalf of or for each insurer. The Administrator shall, upon request of the Insurer, furnish the Insurer with copies of such records pertaining to deposits and withdrawals on behalf of or for such Insurer.

10. The Administrator shall not pay any claim by withdrawals from a fiduciary account. Withdrawals from such account shall be made for any of the following:
    a. Remittance to the Insurer entitled to such remittance.
    b. Deposit in an account maintained in the name of the Insurer.
    c. Transfer to and deposit in a claims-paying account, with claims to be paid as provided by Section 20-485.07 of the Arizona Insurance Code.
    d. Payment to a group policyholder for remittance to the Insurer entitled to such remittance.
    e. Payment to the Administrator of the Administrator's commission, fees or charges.
    f. Remittance of return premiums to the person or persons entitled to such return premiums.

11. All claims paid by the Administrator from funds collected on behalf of the Insurer shall be paid only on drafts of and as authorized by the Insurer.

12. The Administrator shall possess and maintain a deposit in favor of Arizona to be held in trust for the benefit and protection of insureds and insurers whose monies the Administrator handles consisting of cash, securities eligible for investment pursuant to

chapter 3, articles 1 and 2 of this the Arizona Insurance Code, or a surety bond in a form acceptable to the Director and issued by a corporate surety authorized to transact business in this state. The amount of the deposit shall be ten per cent of the amount of total funds handled unless the Director determines that a lesser amount is adequate for the protection of the public but in no case shall the bond be less than five thousand dollars. The amount of the deposit shall be determined by the total funds handled by the Administrator during the preceding year, or if no funds were handled during the preceding year, the amount of funds reasonably estimated to be handled during the current calendar year by the Administrator. The amount of such deposit is payable on the failure of the Administrator to pay benefits it is legally obligated to pay and shall provide protection to the insurers and insureds against loss by reason of acts of fraud or dishonesty and may include individual bonds or schedule or blanket forms of bonds.

California Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of California.

The Parties to the Agreement shall comply with the requirements of the California Insurance Code, Sections 1759.1 to 1759.9, inclusive, and as referenced herein below, except insofar as those requirements do not apply to the functions performed by the Administrator.

Section 1759.1. The written Agreement shall be retained as part of the official records of both the insurer and the administrator for the duration of the Agreement and five years thereafter. If a policy is issued to a trustee or trustees, a copy of the trust agreement and any amendments thereto shall be furnished to the insurer by the administrator and shall be retained as part of the official records of both the insurer and the administrator for the duration of the policy and five years thereafter.

Section 1759.2. Intermediary status of administrator. Whenever an insurer utilizes the services of an administrator under the terms of a written contract as required in Section 1759.1, the payment to the administrator of any premiums or changes for insurance by or on behalf of the insured shall be deemed to have been received by the insurer, and the payment of return premiums or claims by the insurer to the administrator shall not be deemed payment to the insured or claimant until such payments are received by the insured or claimant. Nothing herein shall limit any right of the insurer against the administrator resulting from its failure to make payments to the insurer, insureds or claimants.

Section 1759.3. Records maintenance; access by insurer and commissioner

(a) Every administrator shall maintain at its principal administrative office for the duration of the written agreement referred to in Section 1759.1 and five years thereafter adequate books and records of all transactions between it, and insurers and insured persons. The books and records shall be maintained in accordance with prudent standards of insurance recordkeeping. The insurer shall retain the right to continuing access to the books and records of the administrator sufficient to permit the insurer to fulfill all of its contractual obligations to insured persons, subject to any restrictions in the written agreement between the insurer and administrator on the proprietary rights of the parties in the books and records.

(b) The commissioner of insurance for the State of California shall have access to the books and records for the purpose of examination, audit, and inspection. Any information contained in the books and records, including, but not limited to, the identity and addresses of policyholders and certificate holders, shall be confidential, except the commissioner may use the information in any proceedings instituted against the administrator.

(c) The commissioner of insurance of the State of California may, after notice and hearing, promulgate reasonable rules and regulations specifying the manner and type of records to be maintained by administrators.

(d) The administrator shall keep and maintain the books and records required by this section and the regulations promulgated pursuant to this section. The administrator understands that failure to keep or maintain the books and records as required shall be grounds for the suspension or revocation of the certificate of registration of the administrator and that the proceeding shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Section 1759.4. Insurer's approval of advertising. The administrator may use only such advertising pertaining to the business underwritten by an insurer as has been approved by such insurer in advance of its use.

Section 1759.5. Underwriting standards set out in agreement. The agreement shall make provision with respect to the underwriting or other standards pertaining to the business underwritten by such insurer.

Section 1759.6. Fiduciary duty; fiduciary bank account. All insurance charges or premiums collected by an administrator on behalf of or for an insurer or insurers, and return premiums received from such insurer or insurers, shall be held by the administrator in a fiduciary capacity. Such funds shall be immediately remitted to the person or persons entitled thereto, or shall be deposited promptly in a fiduciary bank account established and maintained by the administrator. If charges or premiums so deposited have been collected on behalf of or for more than one insurer, the administrator shall keep records clearly recording the deposits in and withdrawals from such account on behalf of or for each insurer. The administrator shall keep copies of all such records and, upon request of an insurer, shall furnish such insurer with copies of such records pertaining to deposits and withdrawals on behalf of or for such insurer. The administrator shall not pay any claim on behalf of or for such insurer by withdrawals from such fiduciary account. Withdrawals from such account shall be made, as provided in the written agreement between the administrator and the insurer, for (1) remittance to an insurer entitled thereto; (2) deposit in an account maintained in the name of such insurer; (3) transfer to and deposit in a claims paying account, with claims on behalf of or for such insurer to be paid as provided in Section 1759.7; (4) payment to a group policyholder for remittance to the insurer entitled thereto; (5) payment to the administrator of its commission, fees or charges; or (6) remittance of return premiums to the person or persons entitled thereto.

Section 1759.7. Claims payment: form and authorization. All claims paid by the administrator from funds collected on behalf of the insurer shall be paid only on checks or drafts of and as authorized by such insurer.

Section 1759.8. Claims settlement: contingent compensation prohibited. With respect to any policies where an administrator adjusts or settles claims, the compensation to the administrator with regard to such policies shall in no way be contingent on claim experience**.**

Section 1759.9. Notice of administrator's capacity; statement of charge or premium for coverage. The administrator shall provide a written notice approved by the insurer, to insured individuals, advising them of the identity of and relationship among the administrator, the policyholder and the insurer. Where an administrator collects funds, it must identify and state separately in writing to the person paying to the administrator any charge or premium for insurance coverage the amount of any such charge or premium specified by the insurer for such insurance coverage.

Kentucky Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "administrator" or "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Kentucky.

The Parties to the Agreement shall comply with Kentucky Revised Statutes (KRS), Sections KRS 304.9-371 through KRS 304.9-377, inclusive, and as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the Administrator.

KRS 304.9-371. Written agreement for administrator.

(1) This Addendum and the Agreement shall be retained as part of the official records of both parties to the transaction for the duration of the agreement and at least five (5) years thereafter.

(2) In the event a contract is issued to a trustee or trustees, a copy of the trust agreement and any amendments thereto shall be furnished to the insurer by the administrator and shall be retained as part of the official records of both parties for the duration of the contract and at least five (5) years thereafter.

KRS 304.9-372. Intermediary status of administrator.

Payment to the administrator of any premiums or charges for insurance by or on behalf of an insured shall be deemed to have been received by the insurer. However, in the payment of return premiums or claims by the insurer to the administrator, payment shall not be deemed payment to the insured until such payments are received by the insured. Nothing herein shall limit the right of the insurer against the administrator resulting from the administrator's failure to make payments to the insurer or any insured.

KRS 304.9-373. Records maintenance; access by insurer and director.

The administrator shall maintain at its administrative office, for the duration of the Agreement, and for at least five (5) years thereafter, adequate books and records of all transactions between it, insurers, and insureds. Such books and records shall be maintained in accordance with prudent standards of insurance industry recordkeeping. The commissioner shall have access to such books and records for the purpose of

examination, audit, and inspection. Any trade secrets contained therein, including but not limited to the identity and addresses of insureds, shall be confidential except the commissioner may use such information in any proceedings instituted against the administrator. An insurer shall retain the right to continuing access to such books and records of the administrator sufficient to permit the insurer to fulfill all of its contractual obligations to insureds subject to any restrictions in the written agreement between the insurer and the administrator on the proprietary rights of the parties in such books and records. Any examination or any part of the examination of the administrator shall be made by the commissioner or by examiners designated by him or her and shall be at the expense of the administrator as specified by statute.

KRS 304.9-374. Insurer's approval of advertising.

Advertising pertaining to business of the administrator that is underwritten by an insurer shall be approved by such insurer in advance of its use.

KRS 304.9-375. Fiduciary duty; fiduciary bank account.

All charges or premiums collected by the administrator on behalf of or for an insurer and return premiums or charges received from such insurer shall be held by the administrator in a fiduciary capacity. Such funds shall be immediately remitted to the person or persons entitled thereto, or shall be deposited promptly in a fiduciary bank account established and maintained by the administrator. If charges or premiums so deposited have been collected on behalf of or for more than one (1) insurer, the administrator shall cause the bank in which such fiduciary account is maintained to keep records clearly recording the deposits and withdrawals from such account on behalf of or for each insurer. The administrator shall promptly obtain and keep copies of all such records and, upon request of an insurer, shall furnish such insurer with copies of such records pertaining to deposits and withdrawals on behalf of or for such insurer. The administrator shall not pay any claim by withdrawals from such fiduciary account. Withdrawals from such fiduciary account shall be made, as provided in the written agreement between the administrator and the insurer, for:

(1) Remittance to an insurer entitled thereto;

(2) Deposit in an account maintained in the name of such insurer;

(3) Transfer to and deposit in a claims paying account with claims to be paid as provided in KRS 304.9-376;

(4) Payment to a group policyholder for remittance to the insurer entitled thereto;

(5) Payment to the administrator of its commission, fees, or charges; or

(6) Remittance of return premium or charges to any person entitled thereto.

KRS 304.9-376. Payment of claims; compensation.

(1) All insurance claims paid by the administrator from funds collected on behalf of an insurer shall be paid only on drafts of and as authorized by such insurer.

(2) With respect to any contracts where the administrator adjusts or settles claims, the compensation to the administrator with regard to such policies shall in no way be contingent on claim experience. This paragraph shall not prevent the compensation of the administrator from being based on premiums or charges collected or number of claims paid or processed.

KRS 304.9-377. Notice to insureds; statement of charge or premium for coverage.

The administrator shall provide a written notice approved by the insurer to insureds advising them of the identity of and the relationship among the administrator, the group contract holder, and the insurer. Where the administrator collects funds, it must identify and state separately in writing to the person paying to the administrator any charge or premium for coverage the amount of any such charge or premium specified by the insurer for such coverage.

Louisiana Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "administrator" or "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "Insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Louisiana.

The Parties to the Agreement shall comply with the below provisions only insofar as they are applicable to the duties performed by the Administrator.

1) Products. Administrator will provide the Services in connection with certain life, annuity and accident and health insurance products issued by Insurer. Insurer shall be responsible for determining the benefits, rates, underwriting criteria, and claims payment procedures in connection with the products, and for securing reinsurance, if any. It shall be the sole responsibility of Insurer to provide for competent administration of its programs.

2) Claims Processing. Administrator will issue claim checks on behalf of Insurer from Insurer's bank accounts. The compensation to Administrator with regard to policies where Administrator adjusts or settles claims on behalf of Insurer shall in no way be contingent on claim experience or savings effected in the adjustment, settlement, and payment of losses covered by Insurer's obligations. This section does not prevent the compensation paid to Administrator from being based on premiums or charges collected or number of claims paid or processed.

3) The Administrator shall periodically render an accounting to the Insurer detailing all transactions performed by the Administrator pertaining to the business underwritten by the Insurer.

Michigan Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as a "third-party administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when the third-party administrator is performing services in connection with residents of Michigan.

The Parties to the Agreement shall comply with the requirements of the Michigan Third Party Administrator Act, including Section 32 thereof (Mich. Comp. Laws Section 550.932), as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the third-party administrator.

The insurer shall provide written notice to each individual covered by a plan for which the third-party administrator is providing TPA services, which written notice shall contain the following information:

(a) What benefits are being provided;
(b) Of changes in benefits;
(c) The fact that individuals covered by the plan are not insured or are only partially insured, as the case may be;
(d) If the plan is not insured, the fact that in the event the plan or the plan sponsor does not ultimately pay medical expenses (if any) that are eligible for payment under the plan for any reason, the individuals covered by the plan may be liable for those expenses;
(e) The fact that the third-party administrator merely processes claims and (if the plan involves coverage of medical expenses) does not insure that any medical expenses of individuals covered by the plan will be paid; and
(f) The fact that complete and proper claims for benefits made by individuals covered by the plan will be promptly processed but that in the event there are delays in processing claims, the individuals covered by the plan shall have no greater rights to interest or other remedies against the third-party administrator than as otherwise afforded them by law.

New Jersey Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "Insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of New Jersey.

The Parties to the Agreement shall comply with the New Jersey Statute referenced herein below (N.J.A.C. 11:23-3.1), and insofar only as these provisions are applicable to the duties performed by Administrator.

• N.J.A.C. 11:23-3.1(c)2i – provision of enrollment and eligibility information;
• N.J.A.C. 11:23-3.1(c)2ii – arrangement for a preliminary or escrowed deposit of funds by the Insurer, if any;
• N.J.A.C. 11:23-3.1(c)2iii – the method used for the transmittal of funds from the Insurer to the Administrator;
• N.J.A.C. 11:23-3.1(c)2iv – notification by the Insurer of modifications in the Insurer's benefits plan;
• N.J.A.C. 11:23-3.1(c)2v – provisions setting forth the respective liability of the Administrator and Insurer for payment of ineligible claims;
• N.J.A.C. 11:23-3.1(c)2vi – liability for claim payments that are overdue;
• N.J.A.C. 11:23-3.1(c)2vii – provisions regarding the procurement of reinsurance or stop-loss insurance;
• N.J.A.C. 11:23-3.1(c)3.i – the maintenance of appropriate back-up systems against the loss of records;
• N.J.A.C. 11:23-3.1(c)3.ii – establishment and maintenance of appropriate financial controls;
• N.J.A.C. 11:23-3.1(c)3.iii – provisions regarding the Insurer's rights with respect to the conducting of claims audits by an outside auditor;
• N.J.A.C. 11:23-3.1(c)3.iv – the maintenance of appropriate insurance coverage, which shall include general liability insurance, valuable papers insurance and errors and omissions coverage and such other coverage as is appropriate to the form of organization and nature of the business of the third-party administrator;
• N.J.A.C. 11:23-3.1(c)3.v – appropriate access by the Insurer to the Administrator's records;
• N.J.A.C. 11:23-3.1(c)3.vi – procedures for making available the claims experience and other claims-related information to the Insurer at its request, including, but not limited to, monthly reports; and
• N.J.A.C. 11:23-3.1(c)3.vii – preparation or provision of data required for prompt-pay reports and payment of any penalties payable under the contract.

Nevada Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "administrator" or "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Nevada.

The Parties to the Agreement shall comply with Nevada Revised Statutes (NRS), Sections 683A.087 through 683A.0883, inclusive, and as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the Administrator.

NRS 683A.087. Advertising. The administrator may advertise the insurance which it administers only after receiving the approval of the insurer who underwrites the business involved.

NRS 683A.0873. Records maintenance.

1. The administrator shall maintain at its principal office adequate books and records of all transactions between itself, the insurer and the insured. The books and records will be maintained in accordance with prudent standards of recordkeeping for insurance and with regulations of the commissioner for a period of 5 years after the transaction to which they respectively relate. After the 5-year period, the administrator may remove the books and records from the state, store their contents on microfilm or return them to the appropriate insurer.

2. The commissioner may examine, audit and inspect books and records maintained by the administrator under the provisions of this section to carry out the provisions of NRS 679B.230 to 679B.300, inclusive.

3. The names and addresses of insured persons and any other material which is in the books and records of an administrator are confidential except when used in proceedings against the administrator.

4. The insurer may inspect and examine all books and records to the extent necessary to fulfill all contractual obligations to insured persons, subject to restrictions in the written agreement between the insurer and administrator.

NRS 683A.0877. Fiduciary accounts.

1. All insurance charges and premiums collected by the administrator on behalf of an insurer and return premiums received from an insurer are held by the administrator in a fiduciary capacity.

2. Money must be remitted within 15 days to the person or persons entitled to it, or be deposited within 15 days in one or more fiduciary accounts established and maintained by the administrator in a bank, credit union or other financial institution in this state. The fiduciary accounts must be separate from the personal or business accounts of the administrator.

3. If charges or premiums deposited in an account have been collected for or on behalf of more than one insurer, the administrator shall cause the bank, credit union or other financial institution where the fiduciary account is maintained to record clearly the deposits and withdrawals from the account on behalf of each insurer.

4. The administrator shall promptly obtain and keep copies of the records of each fiduciary account and shall furnish any insurer with copies of the records which pertain to him upon demand of the insurer.

5. The administrator shall not pay any claim by withdrawing money from its fiduciary account in which premiums or charges are deposited.

6. Withdrawals must be made as provided in the agreement between the insurer and the administrator for:

(a) Remittance to the insurer.

(b) Deposit in an account maintained in the name of the insurer.

(c) Transfer to and deposit in an account for the payment of claims.

(d) Payment to a group policyholder for remittance to the insurer entitled to the money.

(e) Payment to the administrator of its commission, fees or charges.

(f) Remittance of return premiums to persons entitled to them.

7. The administrator shall maintain copies of all records relating to deposits or withdrawals and, upon the request of an insurer, provide the insurer with copies of those records.

NRS 683A.0879. Approval or denial of claims; payments and interest

1. Except as otherwise provided in subsection 2, an administrator shall approve or deny a claim relating to health insurance coverage within 30 days after the administrator receives the claim. If the claim is approved, the administrator shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the administrator shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the administrator requires additional information to determine whether to approve or deny the claim, he shall notify the claimant of his request for the additional information within 20 days after he receives the claim. The administrator shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The administrator shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the administrator shall pay the claim within 30 days after he receives the additional information. If the approved claim is not paid within that period, the administrator shall pay interest on the claim in the manner prescribed in subsection 1.

3. An administrator shall not request a claimant to resubmit information that the claimant has already provided to the administrator, unless the administrator provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. An administrator shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the administrator.

7. The Commissioner may require an administrator to provide evidence which demonstrates that the administrator has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that an administrator is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the administrator to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that an administrator is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of registration of the administrator.

NRS 683A.088. Claims payment. Each claim paid by the administrator from money collected for or on behalf of an insurer must be paid by a check or draft upon and as authorized by the insurer.

NRS 683A.0883. Compensation.

1. The compensation paid to the administrator for its services may be based upon premiums or charges collected, on number of claims paid or processed or on any other basis agreed upon by the administrator and the insurer, except as provided in subsection 2 below.

2. Compensation paid to the administrator may not be based upon or contingent upon:

(a) The claim experience of the policies handled; or

(b) The savings realized by the administrator by adjusting, settling or paying the losses covered by an insurer.

North Carolina Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "Insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of North Carolina.

The Parties to the Agreement shall comply with North Carolina General Statutes, Sections 58-56-6 through 56-56-46, inclusive, as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the Administrator.

1. Written agreement necessary (§ 58-56-6).

(a) The Agreement shall be retained as part of the official records of both the Insurer and the Administrator for the duration of the Agreement and for five years thereafter.

(b) The Agreement or attachments thereto shall include a statement of duties that the Administrator is expected to perform on behalf of the Insurer and the kinds of insurance the Administrator is to be authorized to administer. The Agreement or attachments thereto shall provide for underwriting or other standards pertaining to the business underwritten by the Insurer.

(c) The Insurer or Administrator may, with written notice, terminate the agreement for cause as provided in the Agreement. The Insurer may suspend the underwriting authority of the Administrator during the pendency of any dispute regarding the cause for termination of the Agreement. The Insurer must fulfill any lawful obligations with respect to policies affected by the Agreement, regardless of any dispute between the Insurer and the Administrator.

2. Payment to Administrator (§ 58-56-11).

The payment to the Administrator of any premiums or charges for insurance by or on behalf of an insured party is considered payment to the Insurer. The payment of return premiums or claim payments forwarded by the Insurer to the Administrator is not considered payment to an insured party or claimant until the payments are received by an insured party or claimant. This section does not limit any right of the Insurer against the Administrator resulting from the failure

of the Administrator to make payments to the Insurer, insured parties, or claimants.

3. Records to be kept (§ 58-56-16).

(a) The Administrator shall maintain and make available to the Insurer complete books and records of all transactions performed on behalf of the Insurer. The books and records shall be maintained in accordance with prudent standards of insurance record keeping and must be maintained for a period of at least five years after the date of their creation.

(b) The parties agree that the Commissioner of Insurance for the State of North Carolina ("Commissioner") shall have access to books and records maintained by the Administrator for the purposes of examination, audit, and inspection. The parties understand that the Commissioner is required by law to keep confidential any trade secrets contained in those books and records, including the identity and addresses of policyholders and certificate holders, except that the Commissioner may use the information in any judicial or administrative proceeding instituted against the Administrator.

(c) The Insurer shall own the records generated by the Administrator pertaining to the Insurer, but the Administrator shall retain the right to continuing access to books and records to permit the Administrator to fulfill all of its contractual obligations to insured parties, claimants, and the Insurer.

(d) In the event the Insurer and the Administrator cancel the Agreement, notwithstanding the provisions of subsection (a) of this section, the Administrator may, by written agreement with the Insurer, transfer all records to a new third-party administrator rather than retain them for five years. In such case, the new third-party administrator shall acknowledge, in writing, that it is responsible for retaining the records of the Administrator as required in subsection (a) of this section.

4. Approval of advertising. (§ 58-56-21).

The Administrator may use only the advertising pertaining to the business underwritten by the Insurer that has been approved in writing by the Insurer in advance of its use.

5. Responsibilities of the insurer. (§ 58-56-26).

(a) The Insurer is responsible for determining the benefits, premium rates, underwriting criteria, and claims payment procedures applicable to the coverage and for securing reinsurance, if any. The rules pertaining to

these matters must be provided, in writing, by the Insurer to the Administrator. The responsibilities of the Administrator as to any of these matters shall be set forth in the Agreement between the Administrator and the Insurer, or in any attachments thereto.

(b) It is the sole responsibility of the Insurer to provide for competent administration of its programs.

(c) In cases where the Administrator administers benefits for more than 100 certificate holders on behalf of the Insurer, the Insurer shall, at least semiannually, conduct a review of the operations of the Administrator. At least one semiannual review shall be an on-site audit of the operations of the Administrator. Agreement as to the specific parameters of the semiannual reviews shall be between the Administrator and the Insurer.

6. Premium collection and payment of claims (§ 58-56-31).

(a) All insurance charges or premiums collected by the Administrator on behalf of or for the Insurer, if any, and the return of premiums received from the Insurer, if any, shall be held by the Administrator in a fiduciary capacity. These funds shall be immediately remitted to the person entitled to them or shall be deposited promptly in a fiduciary account established and maintained by the Administrator in a federally or State insured financial institution. The Agreement, or any attachments thereto, between the Administrator and the Insurer shall require the Administrator to periodically render an accounting to the Insurer detailing all transactions performed by the Administrator pertaining to the business underwritten by the Insurer.

(b) If charges or premiums deposited in a fiduciary account have been collected on behalf of the Insurer, the Administrator shall keep records clearly recording the deposits in and withdrawals from the account on behalf of the Insurer. The Administrator shall keep copies of all the records and, upon request of the Insurer, shall furnish the Insurer with copies of the records pertaining to the deposits and withdrawals.

(c) The Administrator shall not pay any claim by withdrawals from a fiduciary account in which premiums or charges are deposited. Withdrawals from this account shall be made only as provided in the Agreement between the Administrator and the Insurer. The Agreement shall address, but not be limited to, the following:

(1) Remittance to Insurer, when Insurer is entitled to remittance.
(2) Deposit in an account maintained in the name of the Insurer.
(3) Transfer to and deposit in a claims-paying account, with claims to be paid as provided in subsection (d) of this section.

(4) Payment to a group policyholder for remittance to the Insurer, when Insurer is entitled to the remittance.
(5) Payment to the Administrator of its commissions, fees, or charges.
(6) Remittance of a return premium to the person entitled to the return premium.

(d) All claims paid by the Administrator from funds collected on behalf of or for the Insurer shall be paid only on drafts or checks of and as authorized by the Insurer.

7. Compensation to the Administrator (§ 58-56-36).

The amount of the Administrator's commissions, fees, or charges shall not be contingent upon savings effected in the adjustment, settlement, and payment of losses covered by the Insurer's obligations. This section does not prohibit the Administrator from receiving performance-based compensation for providing hospital or other auditing services and does not prevent the compensation of an Administrator from being based on premiums or charges collected or the number of claims paid or processed.

8. Notice to covered individuals; disclosure of charges and fees (§ 58-56-41).

(a) The Administrator shall provide a written notice approved by the Insurer to covered individuals advising them of the identity of, and relationship among, the Administrator, the policyholder, and the Insurer.

(b) When the Administrator collects funds, the reason for collection of each item must be identified to the insured party and each item must be shown separately from any premium. Additional charges may not be made for services to the extent the services have been paid for by the Insurer.

(c) The Administrator shall disclose to the Insurer all charges, fees and commissions received from all services in connection with the provision of administrative services for the Insurer, including any fees or commissions paid by Insurers providing reinsurance.

9. Delivery of materials to covered individuals (§ 58-56-46).

Any policies, certificates, booklets, termination notices, and other written communications delivered by the Insurer to the Administrator for delivery to insured parties or covered individuals shall be delivered by the Administrator promptly after receipt of instructions from the Insurer to deliver them.

South Carolina Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of South Carolina.

The Parties to the Agreement shall comply with South Carolina Insurance Code, Sections 38-51-40 through 38-51-120, inclusive, as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the Administrator.

38-51-40. Written agreement required. The Agreement shall be retained as part of the official records of both the insurer and the administrator for the duration of the Agreement and five years thereafter. Where a policy is issued to a trustee, a copy of the trust agreement and any amendments thereto must be furnished to the insurer by the administrator and must be retained as part of the official records of both the insurer and the administrator for the duration of the policy and five years thereafter.

38-51-50. Payments to administrators. Payment to the administrator of any premiums or charges for insurance by or on behalf of the insured is considered to have been received by the insurer, and the payment of return premiums or claims by the insurer to the administrator is not considered payment to the insured or claimant until the payments are received by the insured or claimant. Nothing herein limits any right of the insurer against the administrator resulting from his failure to make payments to the insurer, insureds, or claimants.

38-51-60. Records maintenance; examination. The administrator shall maintain at its principal administrative office for the duration of the written Agreement and five years thereafter adequate books and records of all transactions among the administrator, insurers, and insured persons. The books and records shall be maintained in accordance with prudent standards of insurance record keeping. The director of the Department of Insurance or his designee shall have access to the books and records for the purpose of examination, audit, and inspection, and information from the records must be furnished to the director or his designee on demand. Any trade secrets contained therein, including, but not limited to, the identity and addresses of policyholders and certificate holders, are confidential, except that the director or his designee may use the information in any proceedings instituted against the administrator. The insurer shall retain the right to continuing access to the books and records of the administrator sufficient to permit the insurer to fulfill all of its contractual obligations to insured persons, subject to any

restrictions in the written Agreement on the proprietary rights of the parties in such books and records.

38-51-70. Advertising. The administrator may use only the advertising pertaining to the business underwritten by an insurer as has been approved by the insurer in advance of its use.

38-51-80. Underwriting standards set out in agreement. The Agreement or any attachments thereto shall make provision with respect to the underwriting or other standards pertaining to the business underwritten by the insurer.

38-51-90. Fiduciary duty; fiduciary bank account. All insurance charges or premiums collected by the administrator on behalf of or for the insurer and return premiums received from the insurer must be held by the administrator in a fiduciary capacity. The funds must be immediately remitted to the person entitled thereto or deposited promptly in a fiduciary bank account established and maintained by the administrator. If charges or premiums so deposited are collected on behalf of or for more than one insurer, the administrator shall cause the bank in which the fiduciary account is maintained to keep records clearly recording the deposits in and withdrawals from the account on behalf of or for each insurer. The administrator shall promptly obtain and keep copies of all records and, upon request of an insurer, furnish the insurer with copies of the records pertaining to deposits and withdrawals on behalf of or for the insurer. The administrator may not pay any claim by withdrawals from the fiduciary account. Withdrawals from the account may be made, as provided in the written Agreement, for (1) remittance to an insurer entitled thereto; (2) deposit in an account maintained in the name of the insurer; (3) transfer to and deposit in a claims-paying account with claims to paid as provided in s 38-51-100; (4) payment to a group policyholder for remittance to the insurer entitled thereto; (5) payment to the administrator of its commission, fees, or charges; or (6) remittance of return premiums to the person entitled thereto.

38-51-100. Payment of claims: form and authorization. All claims paid by the administrator from funds collected on behalf of the insurer must be paid only on drafts of and as authorized by the insurer.

38-51-110. Compensation of administrator. With respect to any policies where the administrator adjusts or settles claims, the compensation to the administrator with regard to these policies may in no way be contingent on claim experience. This section does not prevent the compensation of the administrator from being based on premiums or charges collected or number of claims paid or processed.

TENNESSEE ADDENDUM TO AGREEMENT

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer" or "Insurer."

The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Tennessee.

The Parties wish to add terms and conditions to require Administrator and Insurer to comply with Tennessee Insurance Code, Sections 56-6-402 through 56-6-409, inclusive, as referenced below, and insofar only as these provisions are applicable to the duties performed the Administrator.

1. This Addendum shall form a part of the Agreement and the provisions set forth herein shall supersede and govern where they conflict with or modify the standard terms and conditions set forth in the Agreement.

2. Payment to the Administrator of any premiums or charges for insurance by or on behalf of the insured shall be deemed to have been received by the insurer, and the payment of return premiums or claims by the insurer to the Administrator shall not be deemed payment to the insured or claimant until such payments are received by the insured or claimant. Nothing herein shall limit any right of the insurer against the Administrator resulting from its failure to make payments to the insurer, insureds or claimants.

3. Records maintenance.

   (a) The Administrator shall maintain at its principal administrative office, for the duration of the Agreement and five (5) years thereafter, adequate books and records of all transactions between it, insurers and insured persons. Such books and records shall be maintained in accordance with prudent standards of insurance record keeping. The commissioner of insurance shall have access to such books and records for the purpose of examination, audit and inspection.

   (b) Any trade secrets contained therein, including, but not limited to, the identity and addresses of policyholders and certificate holders, shall be

confidential, except the commissioner of insurance may use such information in any proceedings instituted against the Administrator.

(c) The insurer shall retain the right to continuing access to such books and records of the Administrator sufficient to permit the insurer to fulfill all of its contractual obligations to insured persons, subject to any restrictions in the Agreement concerning the proprietary rights of the parties in such books and records.

(d) The commissioner of insurance shall collect the proper charges incurred in such examination in accordance with Tennessee law Section 56-1-413.

4. Advertising. The Administrator may use only such advertising pertaining to the business underwritten by the insurer as has been approved by the insurer in advance of its use.

5. Fiduciary duties of Administrator. All insurance charges or premiums collected by the Administrator on behalf of or for the insurer, and return premiums received from the insurer, shall be held by the Administrator in a fiduciary capacity. Such funds shall be immediately remitted to the person or persons entitled thereto, or shall be deposited promptly in a fiduciary bank account established and maintained by the Administrator. If charges or premiums so deposited have been collected on behalf of or for more than one (1) insurer, the Administrator shall cause the bank in which such fiduciary account is maintained to keep records clearly recording the deposits in and withdrawal from such account on behalf of or for each insurer. The Administrator shall promptly obtain and keep copies of all such records and, upon request of the insurer, shall furnish the insurer with copies of such records pertaining to deposits and withdrawals on behalf of or for the insurer. The Administrator shall not pay any claim by withdrawals from such fiduciary account. Withdrawals from such account shall be made as provided in the Agreement for:

(a) Remittance to the insurer entitled thereto;

(b) Deposit in an account maintained in the name of such insurer;

(c) Transfer to and deposit in a claims paying account, with claims to be paid as provided in Section 6 below;

(d) Payment to a group policyholder for remittance to the insured entitled thereto;

(e) Payment to the Administrator of its commission, fees or charges; or

(f) Remittance of return premiums to the person or persons entitled thereto.

6. Payment of claims. All claims paid by the Administrator from funds collected on behalf of the insurer shall be paid only on drafts, checks or electronic transfers of and as authorized by such insurer.

7. Compensation not contingent on claim experience.

   (a) With respect to any policies where the Administrator adjusts or settles claims, the compensation to the Administrator with regard to such policies shall in no way be contingent on claim experience.

   (b) This section shall not prevent the compensation of an Administrator from being based on premiums or charges collected or number of claims paid or processed.

8. Notice to insured.

   (a) The Administrator shall provide a written notice approved by the insurer, to insured individuals, advising them of the identity of and relationship among the Administrator, the policyholder and the insurer.

   (b) Where the Administrator collects funds, it shall identify and state separately in writing to the person paying to the Administrator any charge or premium for insurance coverage the amount of any such charge or premium specified by the insurer for such insurance coverage.

9. All other terms and conditions of the Agreement shall remain unaltered and shall be in full force and effect.

Texas Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Texas.

The Parties to the Agreement shall comply with the below provisions only insofar as they are applicable to the duties performed by the Administrator.

Tex. Ins. Code § 4151.103(a) and (b). Retention of written agreement; inspection by commissioner. The administrator and the insurer shall retain a copy of the written agreement as part of their official records during the term of the agreement; and until the fifth anniversary of the date on which the agreement expires. On written request by the commissioner, the administrator shall make the written agreement available for inspection by the commissioner or the commissioner's designee.

Tex. Ins. Code § 4151.1042(c). Responsibilities of insurer; semiannual audits. If an administrator administers benefits for more than 100 certificate holders, injured employees, plan participants, or policyholders on behalf of an insurer, the insurer shall, at least semiannually, conduct a review of the operations of the administrator. At least biennially, the insurer shall conduct an on-site audit of the operations of the administrator.

Tex. Ins. Code § 4151.107(b)(1) and (2). Delivery or deposit of certain funds received by administrator. If premiums or contributions deposited in a fiduciary bank account were collected on behalf of more than one insurer, the administrator shall maintain records that clearly record separately the deposits to and withdrawals from the account on behalf of each insurer and, on request of an insurer provide to the insurer a copy of the records relating to deposits and withdrawals on behalf of that insurer.

Tex. Ins. Code § 4151.108. Withdrawal from fiduciary account. A withdrawal from a fiduciary bank account established under Section 4151.107 may be made only as provided in the written agreement for any of the following purposes: (1) delivery to an insurer entitled to payment; (2) deposit in an account controlled and maintained in the name of the insurer; (3) transfer to and deposit in a claims payment account for payment of a claim as provided by Section 4151.111; (4) payment to a group policyholder for delivery to the insurer entitled to payment; (5) payment to the administrator of the administrator's commission, fees, or charges; (6) delivery of a return premium to any

person entitled to payment; or (7) payment of a premium for stop-loss or excess loss insurance.

Tex. Ins. Code § 4151.111(a) and (b). Adjudication of claims. An administrator shall adjudicate a claim not later than the 60th day after the date on which the administrator receives valid proof of loss in connection with the claim. The administrator shall pay each claim on a draft authorized by the insurer in the written agreement.

Tex. Ins. Code § 4151.112. Maintenance of books and records. An administrator shall maintain at the administrator's principal administrative office adequate books and records of each transaction in which the administrator engages with an insurer, insured, or plan participant. The administrator shall maintain the books and records until the fifth anniversary of the end of the term of the written agreement to which the books and records relate and in accordance with prudent standards of insurance recordkeeping.

Tex. Ins. Code § 4151.114. Disposition of books and records on termination of written agreement. On termination of the written agreement, an administrator shall: (1) deliver the books and records to a successor administrator, or if there is not a successor administrator, to the insurer; and (2) give written notice to the commissioner of the location of the books and records.

Wyoming Addendum to Agreement

THIS ADDENDUM is incorporated into and forms a part of the Master Services and Facilities Agreement between the Parties (the "Agreement"). Capitalized terms not defined herein shall have the meaning given such terms in the Agreement. Each Providing Party providing TPA Services under the Agreement shall be referred to herein as an "Administrator" and each Receiving Party receiving TPA Services under the Agreement shall be referred to herein individually and collectively as "insurer." The terms and conditions in this Addendum do not replace any of the terms and conditions contained in the Agreement, except that in the event of conflict between this Addendum and the Agreement, this Addendum shall control when Administrator is performing services in connection with residents of Wyoming.

The Parties to the Agreement shall comply with the provisions of Chapter 4 of the Wyoming Insurance Regulations pertaining to insurance administrators, as referenced herein below, and insofar only as these provisions are applicable to the duties performed by the Administrator.

A. The payment to the administrator of any premiums or charges for insurance by or on behalf of the insured shall be deemed to have been received by the insurer, and the payment of return premiums or claims by the insurer to the administrator shall not be deemed payment to the insured, certificate holder or claimant until such payments are received by the insured, certificate holder or claimant. Nothing herein shall limit any right of the insurer against the administrator resulting from its failure to make payments to the insurer, insureds or claimants.

B. The insurer shall require the administrator to maintain adequate books and records of all transactions between administrator, insurer and insured for the duration of the contract and three years thereafter. Such books and records shall be maintained in accordance with prudent standards of insurance record keeping. The Commissioner of the Wyoming Department of Insurance shall have access to such books and records for the purpose of examination, audit and inspection. The insurer shall retain the right to continuing access to such books and records of the administrator sufficient to permit the insurer to fulfill all of its contractual obligations to insured persons subject to any restrictions in the written agreement between the insurer and administrator on the proprietary rights of the parties in such books and records. Nothing herein shall relieve the insurer of its obligation to maintain books and records of all its insurance transactions for the purpose of examination, audit and inspection by the Commissioner of the Wyoming Department of Insurance.

C. The administrators may only use advertising which has been approved in writing by the insurer.

D. The Agreement shall specify underwriting standards of the insurer.

E. All charges or premiums received by the administrator shall be held by the administrator in a fiduciary capacity and shall be promptly remitted to the person entitled to it or deposited in a fiduciary account.

F. Bank account records must be furnished to the insurer when requested. The administrator is not authorized to pay any claims from such an account.

G. Withdrawals from the account shall be made for the following items:

a. remittance to insurer.
b. deposit into account for insurer.
c. transfer to or deposit in claims paying account.
d. payment to group policy.
e. payment to administrator for its commission.
f. remittance of returned premiums to persons.

H. Claims shall be paid on drafts of insurer or as authorized by the insurer.

I. Compensation to the administrator shall not be contingent on claims experience and must be based on premiums or number of claims paid or processed.

J. The administrator may only act in the capacity in which licensed.

K. When an administrator is utilized, the insurer shall require the administrator to provide notice to insured. Where an administrator collects funds, it must be required by the insurer to identify and state separately in writing to the person paying to the administrator any charge or premium for insurance coverage the amount of any such charge or premium specified by the insurer for such insurance coverage.

Schedule 3

The Parties acknowledge and agree that, to the extent that any Service is performed, any Licensed Intellectual Property is licensed or any Facilities are provided by a provider of Vendor Services that is an Affiliate of the Providing Party located in a foreign jurisdiction, such provider of Vendor Services may be required to charge the Providing Party a transfer pricing mark-up, which, for any particular Service, Licensed Intellectual Property or Facility, shall be equal to the product of the cost incurred by such provider of Vendor Services in connection with the performance of such Service, the licensing of such Licensed Intellectual Property or the provision of such Facility multiplied by the cost-plus percentage applicable to such Service, Licensed Intellectual Property or Facility ("**Transfer Pricing Mark-up**"). If any Service is performed, any Licensed Intellectual Property is licensed or any Facilities are provided by a provider of Vendor Services that is an affiliate of the Providing Party that is located in a jurisdiction that does not require a Transfer Pricing Mark-up, then the Services, Licensed Intellectual Property and Facilities shall be provided at cost. In jurisdictions where a Transfer Pricing Mark-up above cost is required to satisfy various tax and other legal or regulatory requirements to best approximate the arm's length cost of Services, Licensed Intellectual Property or Facilities, the Providing Party will utilize reputable, local, independent third party tax advisors, which shall be, where possible, local branches of the "Big Four" U.S. public accounting firms or their equivalent, to determine the appropriate Transfer Pricing Mark-up. Such Transfer Pricing Mark-up will be annually reviewed by the Providing Party's management in conjunction with its third party tax advisors in the U.S. and adjustments will be made as required. In the event changes are required to any jurisdiction's Transfer Pricing Mark-up to satisfy various tax, and other legal or regulatory requirements to best approximate the arm's length cost of Services, Licensed Intellectual Property or Facilities, the Providing Party will utilize the same procedure to set the new markup.

Schedule 4

Intellectual Property License Terms and Conditions

1. Limitations on Use of Licensed Intellectual Property

(a) Third Party Intellectual Property. Any license granted hereunder to Licensed Intellectual Property sublicensed from third parties will be subject to the terms and conditions of any written agreements between MSS and such third parties. Nothing in this Agreement will obligate a Party to breach any such agreement with a third party.

(b) Appearance of Marks. For the avoidance of doubt, any Marks licensed under this Agreement may (i) only be used hereunder in the same appearance in use as that of the owner of such Mark, and (ii) not be modified through combination with any other Mark or with any prefix or suffix or any modifying word or term hereunder, except as agreed to in this Agreement or otherwise agreed to in writing by the Parties prior to such use.

(c) Modifications of Licensed Intellectual Property. From time to time MSS may supplement, add to or modify the Licensed Intellectual Property. If MSS supplements, adds to or modifies the Licensed Intellectual Property, SVWI shall have the right to use and sublicense the supplemental, additional or modified Licensed Intellectual Property, subject to the terms of this Agreement.

(d) Acknowledgments and Notices.

(i) SVWI (A) acknowledges that, as between the Parties, (I) MSS is the owner of the Licensed Intellectual Property, and (II) MLIC is the owner of any Marks, (B) covenants not to challenge MSS' or any third party licensor's ownership of the Licensed Intellectual Property or the validity or enforceability thereof, and (C) agrees that, notwithstanding anything to the contrary set forth herein, its use of the Licensed Intellectual Property (including any goodwill associated therewith) hereunder shall inure to the sole benefit of MSS.

(ii) SVWI shall use reasonable efforts to include trademark notices or other appropriate disclosures concerning the licensing relationship between the Parties in connection with the Licensed Intellectual Property. Without limiting the generality of the foregoing, SVWI shall use reasonable efforts to include the following written notice in connection with its use and sublicense of any Marks licensed to it under this Agreement (or such other written ownership notice as reasonably requested by MSS from time to time): "[insert licensed Marks] are service marks of [insert name of applicable Mark owner provided by MSS] and are used under license to [SVWI]."

(e) Avoidance of Adverse Actions. SVWI shall not: (i) use the Licensed Intellectual Property, or conduct its business in connection with any Marks included in the Licensed Intellectual Property, in a manner that disparages or impairs the validity, value, or goodwill associated with such Marks; (ii) take any action to challenge the ownership in, validity or enforceability of the Licensed Intellectual Property; (iii) apply for the registration or renewal of registration of the Licensed Intellectual Property (including as a trademark, service mark,

Internet domain name, or copyright), or any confusingly similar variation thereof, without the prior written consent of MSS; or (iv) except as set forth in this Agreement, sublicense any Licensed Intellectual Property.

(f) Effect of Termination. Upon termination of this Agreement, SVWI agrees to discontinue, and require its sublicensees to discontinue, immediately all uses of the Licensed Intellectual Property, and in the case of any Marks included in the Licensed Intellectual Property, any Marks confusingly similar thereto.

2. **Maintenance of Quality Control for Marks; Quality of Products and Services**. SVWI covenants that the quality of products and services provided under any Marks included in the Licensed Intellectual Property will be at least equal to the quality of products and services provided under such Marks as of the date of this Agreement. MSS shall have the right to periodically and reasonably request samples of materials solely as it relates to SVWI's use of the Licensed Intellectual Property. SVWI shall submit to MSS any new materials using any Marks included in the Licensed Intellectual Property for prior review and written approval, such approval not to be unreasonably withheld. Failure to approve or disapprove of any such new materials within fifteen (15) business days following written notice thereof pursuant this section shall be deemed to constitute approval. If MSS at any time requests in writing and with a reasonable basis that SVWI cease or modify a use of any of the Licensed Intellectual that has otherwise been approved or is permitted hereunder, SVWI shall phase out such use by exhausting its inventory of materials (and modifying electronic materials) in the ordinary course of business, or sooner MSS agrees to reimburse SVWI for the costs of replacing (and modifying) such materials.

3. Defense and Protection of Licensed Intellectual Property.

(a) Defense of Licensed Intellectual Property. In the event that SVWI receives notice; or is informed of any claim, suit or demand against them on account of any use of the Licensed Intellectual Property, alleging such use constitutes infringement, unfair competition or other violation of law relating to such Licensed Intellectual Property, SVWI shall promptly notify MSS of any such claim, suit or demand. MSS shall have the exclusive right to defend, compromise or settle any such claim pertaining to any Licensed Intellectual Property at MSS' sole cost and expense using attorneys of its own choosing, and SVWI agrees to cooperate fully with MSS in connection with the defense of any such claim. SVWI, at its expense and with MSS' consent, which shall not be unreasonably withheld, may participate in the defense of any such claim through counsel of its own choosing.

(b) Protection of Rights in the Licensed Intellectual Property: Prosecution of Infringing Party.

(i) MSS shall maintain at its expense the Licensed Intellectual Property in full force and effect. SVWI agrees to assist MSS to the extent necessary in the procurement or maintenance of the Licensed Intellectual Property, at MSS' expense.

(ii) In the event that either Party receives notice or is informed or learns that any third party, which either of them believes to be unauthorized to use the Licensed

Intellectual Property, is using the Licensed Intellectual Property or any variant thereof, they shall promptly notify the other Party of the facts relating to such alleged infringing use. MSS shall have the exclusive right, at its expense, to take action against any such third person on account of such alleged infringement of the Licensed Intellectual Property as it deems appropriate, and compromise or settle any such claim. SVWI agrees to cooperate fully with MSS in connection with the prosecution of any such claim. SVWI, at its expense and with MSS' consent, which shall not be unreasonably withheld, may participate in the prosecution of any such claim through counsel of its own choosing.

EXHIBIT A

HIPAA REQUIREMENTS

(a) **Use or Disclosure of PHI**. Each Providing Party agrees not to use or disclose PHI except (i) to perform functions, activities, or Services for, or on behalf of, the relevant Receiving Party as specified in the Agreement and consistent with law, or (ii) to the extent that such use or disclosure is required by law. Any such use or disclosure shall be limited to that required to perform such Services or to that required by relevant law.

(b) **Appropriate Safeguards for PHI**. Subject to Section 2.18 of the Agreement, each Party agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as permitted by the Agreement, and to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that each Party creates, receives, maintains, or transmits on behalf of the company.

(c) **PHI Security Incident**. Each Providing Party agrees to promptly report to the relevant Receiving Party any use or disclosure of, or any security incident (i.e., actual or attempted breach of security) relating to such Receiving Party's PHI not permitted by the Agreement of which the relevant Providing Party becomes aware and, to the extent caused by such Providing Party's breach, cure the breach and end the violation.

(d) **Third Parties Having Access to PHI**. Each Party agrees to ensure that any vendor who may, under a contractual arrangement with such Party, receive or have access to another Party's PHI agrees to the same restrictions and conditions that apply to each Party with respect to PHI under the Agreement and agrees to implement reasonable and appropriate safeguards to protect it.

(e) **Access to PHI**. Each Providing Party agrees to, promptly upon request by a Receiving Party, provide such Receiving Party with any of such Receiving Party's PHI or information relating to PHI, as is necessary to provide individuals with access to, amendment of, and an accounting of disclosures of their PHI. The foregoing shall be provided at no additional expense to such Receiving Party to the extent the foregoing can be performed by the relevant Providing Party's personnel, unless due to a breach by such Providing Party.

(f) **Return of PHI**. Upon termination of Services at the direction of the relevant Receiving Party, the relevant Providing Party shall either return or destroy all PHI such Providing Party maintains in any form and retain no copies. If such Receiving Party agrees that such return or destruction is not feasible, such Providing Party shall extend the confidentiality protections of the Agreement to the PHI beyond such termination, in which case any further use or disclosure of the PHI shall be solely for the purposes that make return or destruction infeasible. Destruction without retention of copies is deemed "infeasible" if prohibited by the terms of any applicable law or regulation.

(g) NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, ANY

LIMITATIONS ON LIABILITY AND REMEDIES SHALL NOT APPLY WITH RESPECT TO LIABILITY ARISING UNDER THIS EXHIBIT.