

Covered California

EXHIBIT A
CCSB Agency Agreement
SCOPE OF WORK

SCOPE OF WORK

This Agreement (sometimes referred to as the “CCSB Agency Agreement”) is made between the State of California, acting by and through the California Health Benefit Exchange, hereafter referred to as “Covered California” and

an individual or business entity licensed by the California Department of Insurance to transact in Accident and Health or Sickness insurance and acting pursuant to the laws of the State of California, hereafter referred to as “Agency,” or “Contractor” interchangeably.

Agency Name (as it appears on license): _____
Agency License Number/Expiration: _____
Agency Federal ID Number or SSN: _____
Authorized Signer: _____
Email Address: _____
Business Phone: _____
Business Fax: _____
Agency Manager: _____

A. Purpose:

1. The mission of Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.
2. Covered California operates an online marketplace that helps consumers find out if they qualify for financial help to enroll in health insurance plans available through Covered California, or for low or no cost Medi-Cal coverage. Financial assistance to lower the premium and cost sharing reductions are only available to qualified consumers who enroll in health plans through Covered California
3. Covered California also operates Covered California for Small Business (CCSB) that offers small businesses and their employees, new health insurance options. CCSB is designed specifically for small employers with 100 or fewer full-time equivalent employees and offers affordable health coverage

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through a variety of health insurance companies. Through CCSB, both employers and their employees can choose the plans that fit their needs and their budgets.

4. Accordingly, the purpose of this Agreement is to secure the services of licensed agents to assist with the enrollment of employers and employees into CCSB. This Agreement does not enable agents to enroll Consumers into the individual market and does not provide agents with access to the California Health Care Eligibility, Enrollment & Retention System (CalHEERS). Under this Agreement, agents may only enroll employers and employees into CCSB plans.
5. The authority to enter into this Agreement arises from Government Code Section 100503, subparagraph (s), where Covered California is directed to “Exercise all powers reasonably necessary to carry out and comply with the duties, responsibilities, and requirements of this act [California Patient Protection and Affordable Care Act] and the federal act [Patient Protection and Affordable Care Act (Public Law 111-148)].” Furthermore, under 45 Code of Federal Regulations section 155.220, the Secretary of the United States Health and Human Services has promulgated regulations allowing for the participation of Certified Insurance Agents with Covered California.

B. Definitions:

1. Agency: A legal entity as defined by Insurance Code Section 1628 that is registered by Covered California to provide one-on-one consumer assistance through one or more Agents who are affiliated with the Agency. Agencies must be registered with the Secretary of State (if required by law) and licensed and in good standing as a life licensee under Insurance Code Section 1626 by the California Department of Insurance to transact in Accident and Health or Sickness insurance.

For purposes of this Agreement, a sole proprietor who is not a legal entity as defined by Insurance Code Section 1628 is considered an Agency so long as the sole proprietor is licensed and in good standing under Insurance Code Section 1626 by the California Department of Insurance to transact in Accident and Health or Sickness insurance.

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2. Agent(s): individuals who are licensed and in good standing under Insurance Code Section 1626 by the California Department of Insurance to transact in Accident and Health or Sickness insurance. Unless specified otherwise, Agents are affiliated with or employed by an Agency. For sole proprietors executing this Agreement, the terms "Agent" and "Agency" may be used interchangeably to refer to the sole proprietor.
3. Authorized Signer: An Agency may have someone who is not an Agency Manager act in the role of "Authorized Signer". They can act on behalf of the Agency, execute the Agency Agreement (Monetary), and perform other duties related to this Agreement as needed.

Authorized Signers are not licensed Agents; they cannot access CalHEERs to perform enrollment assistance, or any other duties that require licensure from the California Department of Insurance.

Authorized Signers can perform the following duties:

- a. Complete and submit Book of Business Transfer form requests for transfers outside of the Agency;
- b. Request changes to the Agency Agreement; and
- c. Add additional Agency Managers

An Agency can only have one (1) Authorized Signer.

4. Monetary Agreement: If an individual has the ability to sign the Monetary Agreement and intends to use their license to be an Agent for that Agency, the role would be identified as an Agency Manager.

The Agency Manager would not be the Authorized Signer nor an Agency Manager or a downline Agent within that same Agency.

If the individual's sole role is to sign the Monetary Agreement for this Agency, the role can be as an Authorized Signer only for this Agency.

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If the individual is licensed and intends to work for a different Agency, the roles can differ with the second Agency.

5. **Book of Business:** The collection of Consumers and/or Qualified Employers that have been delegated to the Agency or Agent. The Agency owns the Book of Business and receives commissions based on its Book of Business pursuant to Exhibit B.
6. **Certified Insurance Agent:** An Agent certified by Covered California to transact in the Covered California for Small Business (“CCSB”) Exchange. For purposes of this Agreement, “Certified Insurance Agent” and “Agent” may be used interchangeably.
7. **Certified QHP:** Any Qualified Health Plan (QHP) that is selected by Covered California and has entered into a contract with Covered California for the provision of health insurance coverage for enrollees who purchase health insurance coverage through the Individual and/or CCSB Exchanges.
8. **Consumer:** A person or entity seeking information on eligibility and enrollment or seeking application assistance with a health insurance or health related product available through Covered California. The term “Consumer” includes, but is not limited to, an applicant, an application filer, authorized representative, employer, Qualified Employee, Qualified Employer, small employer, or enrollee as defined in Section 6410, Title 10, California Code of Regulations.
9. **Employee:** An individual as defined in Section 2791 of the Public Health Service Act [42 U.S.C. 300gg-91(d)(5)].
10. **Enrolled Employee:** An employee who is enrolled in a Qualified Health Plan (QHP).
11. **Employer:** A person as defined in Section 2791 of the Public Health Service Act [42 U.S.C. 300gg-91(d)(6)], except that such term includes employers with one or more employees. All persons treated as a single employer under subsection (b), (c), (m), or (o) of Section 414 of IRC (26 U.S.C. § 414) are treated as one employer.

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12. Individual and CCSB Exchanges: The programs administered by Covered California pursuant to California Government Code § 100500 et seq., 42 U.S.C. 18031(b) of the federal Patient Protection Affordable Care Act and other applicable laws to furnish and pay for health insurance plans for qualified individuals and Qualified Employers.
13. May: An action that is discretionary, optional or permissive.
14. Must: A mandatory obligation or conduct; not optional, permissive, or discretionary. "Must" has the same meaning as "shall."
15. Qualified Employee: An individual who is employed by a Qualified Employer and has been offered health insurance coverage by such Qualified Employer through CCSB.
16. Qualified Employer: Qualified Employer has the same meaning as that term is defined in 42 U.S.C. 18032(f)(2) and 45 CFR 155.710.
17. Qualified Health Plans (QHPs): QHP has the same meaning as that term is defined in Patient Protection and Affordable Care Act Section 1301, 42 U.S.C. 18021. If a standalone dental plan is offered through Covered California, another health plan offered through Covered California shall not fail to be treated as a QHP solely because the plan does not offer coverage of benefits offered through the standalone plan under 42 U.S.C. 18022(b)(1)(J).
18. QHP Issuer: A licensed health care service plan or insurer that has been certified to offer QHPs to Qualified Individuals and Qualified Employers through Covered California.
19. Shall: A mandatory obligation or conduct; not optional, permissive, or discretionary. "Shall" has the same meaning as "must."
20. Small Employer: An employer as defined in Section 1357.500(k) of California Health and Safety Code and in Section 10753(q) of California Insurance Code.
21. State: "State" or "state" shall mean the government of the State of California, its employees, and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of California.

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22. Will: A required future action or result.

C. Scope of Work:

1. Licensure: Contractor shall maintain licensure and good standing under Insurance Code Sections 1626, 1631, and 1637(a) by the California Department of Insurance to transact in Accident and Health or Sickness insurance. Agency shall ensure that its Agents maintain licensure and good standing under Insurance Code Sections 1626, 1631, and 1637(a) by the California Department of Insurance to transact in Accident and Health or Sickness insurance. For purposes of this Agreement, "good standing" means that the Agency and its Agents (if applicable) are authorized by the California Department of Insurance to transact in Accident and Health or Sickness insurance. Covered California may require proof of a valid license and good standing with the California Department of Insurance as a condition of certification.
2. Certification: Agency and its Agents must each comply with the certification standards as more fully set forth below.
 - a. Agency: Agency that is not a sole proprietor must complete the following certification requirements:
 - i. Complete the online Agency application;
 - ii. Execute the CCSB Agency Agreement;
 - iii. Completed STD. 204. Payee Data Record;
 - iv. Provide proof of errors and omissions liability insurance with coverage of not less than \$1,000,000 per occurrence and \$1,000,000 annually in the aggregate; and
 - v. Authorized Agency Manager completes administrative training as outlined in Section I of Exhibit A.
 - b. Agents: These requirements shall apply to Agents affiliated with an Agency that is a legal entity as defined by Insurance Code Section 1628. Agency shall ensure that all of its Agents complete the following

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certification requirements prior to performing any enrollment assistance functions and accessing the CCSB Agent Portal:

- i. Complete Agent application;
 - ii. Complete training as set forth in Section C(17) of Exhibit A;
 - iii. Pay fees required by the California Department of Insurance pursuant to Insurance Code sections 1751.3 and 12978;
 - iv. Pay administrative fee to Covered California; and
 - v. Execute Non-Monetary CCSB Agent Agreement.
- c. Agency (sole proprietor): For purposes of this Agreement, a sole proprietor who is not an organization defined by Insurance Code Section 1628 is considered an Agency so long as the sole proprietor is licensed and in good standing under Insurance Code Section 1626 by the California Department of Insurance to transact in Accident and Health or Sickness insurance. For Agencies that are sole proprietors and not organizations as defined by Insurance Code Section 1628, the following requirements must be completed in order to complete certification:
- i. Complete the CCSB Agency application;
 - ii. Complete training as set forth in Section C(17) of Exhibit A;
 - iii. Pay fees required by the California Department of Insurance pursuant to Insurance Code sections 1751.3 and 12978;
 - iv. Pay administrative fee to Covered California;
 - v. Authorized Agency Manager completes administrative training as outlined in Section I of Exhibit A;
 - vi. Provide Covered California with proof of errors and omissions liability insurance with coverage of not less than \$1,000,000 per occurrence and \$1,000,000 annually in the aggregate; and
 - vii. Complete STD. 204 Payee Data Record.

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3. Due Diligence: Agency shall solicit Consumers to apply for QHPs sold through CCSB.
4. Agency shall comply with the terms and conditions as set forth in this Agreement. Agency shall also ensure that its Agents comply with their respective Non-Monetary Agent Agreements.
5. For all sales in CCSB, Agency shall perform the following functions:
 - a. Agency shall complete all eligibility verification and enrollment applications for Employers through the paper application or the online portal established by Covered California. Agency shall ensure that the appropriate online portal account is used to enroll Employers and Employees. Agency shall not allow individuals who have not been certified by Covered California or any other unauthorized user to use Agent's online portal login credentials without first obtaining authorization from Covered California. Agency shall use the CCSB Employer and Employee applications to determine eligibility and to collect information necessary for enrollment in CCSB. Agency and/or its Agent will only be included in an application when Employer has expressly authorized the Agency and/or its Agent to act as the Employer's agent of record and has authorized the Agency and/or its Agent to access the personally identifiable information of the Employees to complete the eligibility and enrollment process.
 - b. Agency shall ensure that each application is fully and truthfully completed by the Consumer and the completed application fully and accurately reflects and discloses the circumstances of persons included in the application.
 - c. To allow for the proper processing of Agency's compensation, Agency must ensure the completion the following sections of each application to Covered California:
 - i. Name and license number of the Agency; and
 - ii. Agency or Agent's personal identification number for electronic applications or Agent's signature and date of signature for paper applications.

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6. Nondiscrimination: In addition to any other requirements as outlined in this Agreement, Agency shall not discriminate against any individuals regardless of age, disability, race, ethnicity, sexual orientation, or gender identity. In order to ensure that no Consumer is discriminated against, Agency shall seek assistance or guidance from Covered California when needed.
7. Representations: Agency shall represent the plans offered through Covered California in accordance with the following:
 - a. Fairly and accurately present to Consumers all available enrollment options and prices regardless of the Agency's or Agent's relationship with any health plan;
 - b. Agency and its Agents shall not steer Consumers towards or against any of the QHPs sold by the CCSB solely on the basis of payment schedules or other consideration;
 - c. Agency and its Agents are not authorized to and shall not to enter into, alter, deliver or terminate any coverage on behalf of Covered California, extend the time for payment of charges, or bind Covered California or any QHP Issuer in any way;
 - d. Advise every Consumer that in no event will the Consumer have any coverage unless and until CCSB has approved the application and payment has been received;
 - e. Agency and its Agents shall not make any commitments on behalf of Covered California or any QHP Issuer that have not been specifically approved in advance in writing by Covered California or the QHP Issuer; and
 - f. If Agency or its Agents sell any supplemental products that are not offered by Covered California, Agency and its Agents shall clearly identify those products to the Consumer and explain that such products are not offered by Covered California. Agency and its Agents shall fully disclose all premiums and costs associated with supplemental products. Agency and its Agents shall further inform the Consumer that supplemental products are not required to be purchased as a condition for obtaining health coverage and that the Consumer may choose to only purchase Covered California health insurance if he or she chooses to do so.

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8. Payment or Acceptance of Consideration as Inducements Prohibited:
- a. Agency shall not directly or indirectly charge, receive, accept, or agree to charge, receive, or accept any valuable consideration from the Consumer for the services performed under this Agreement.
 - b. Agency shall not provide payment or other valuable consideration to subgrantees of Covered California; Certified Enrollment Entities or Certified Enrollment Counselors defined under Article 8, Title 10 of the California Code of Regulations; and other community-based groups for referrals and/or enrollment services.
9. Compensation: Compensation shall be made in accordance with Exhibit B. Agency is an independent contractor and shall have no claim to compensation except as provided in Exhibit B and shall not be entitled to reimbursement from Covered California for any expenses incurred in performing this Agreement. Agency further agrees that to the extent of any indebtedness of Agency to Covered California, such indebtedness may be deducted at Covered California's option from compensation due Agency.
10. Acceptance of Payment:
- For CCSB, monies collected by Agency or Agent from Employers for or on behalf of Covered California shall be made payable to the CCSB and received by Agency or Agent in a fiduciary capacity. Monies collected by Agency or Agent for CCSB shall not be commingled with personal funds of Agent or Agency and shall be remitted to the CCSB by no later than five (5) business days from the day of receipt. Agency and Agent shall only receive payment from employers tendered with a completed initial enrollment application. Agency and Agent shall not receive any subsequent payments.
11. Records: Agency shall maintain complete records (i) of all transactions pertaining to applications submitted to and accepted by Covered California; (ii) as may be required by the California Department of Insurance, or California Department of Managed Health Care or any other governmental entity; and (iii) in connection with Agency's relationship with Covered California. Any and all records described above shall be accessible and available to representatives of Covered California who may audit them from time to time while this Agreement is in effect or within ten (10) years after termination thereof.

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12. Ongoing Service: Agency and its Agents shall service Employers and Employees enrolled in QHPs when designated as the Agent of Record. Such service will include, but not be limited to, the following:
- a. Acting as liaison between these parties and Covered California if requested by any of these parties;
 - b. Assisting these parties to take the proper action in connection with Covered California coverage when there is a change of address, or other change of status;
 - c. Assisting a family member/dependent to obtain coverage when he or she is no longer entitled to coverage as a family member – e.g., when a dependent child reaches the limiting age, or upon a divorce or dissolution of marriage; and
 - d. Maintaining a working and current knowledge of QHPs offered through CCSB and the ability to explain benefits and/or coverage.
13. Agency and its Agents shall provide reasonable assistance to Covered California in resolving any problems that may arise with new and existing Consumers.
14. Agent of Record:
- Agency shall advise Employers that any Agent of Record changes must be made by providing Covered California with a written request from the Employer's authorized representative. The written request must identify the name, address, and if known, tax identification number of the new Agent of Record. Upon receipt of the Employer's request, Covered California will notify the Employer's existing Agent of Record. The Employer's request will be effective on the first day of the month following Covered California's receipt of the request, unless another future date is specified in the written request. The new Agent will thereafter be the Employer's designated Agent of Record. All Agent of Record changes are subject to Covered California's consent, which shall not be unreasonably withheld.
15. Agency's Book of Business:

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Agency owns its Book of Business, but may transfer all or part of its Book of Business to another Agency or Agent, subject to Covered California's written consent. Such consent shall not be unreasonably withheld. An Agency Manager has authority to transfer a Book of Business on the Agency's behalf subject to California's written consent. If an Agency has designated an Authorized Signer, the Authorized Signer must approve the transfer in writing before Covered California can complete it. Covered California may withhold its consent to approve a transfer if there is a reasonable belief that the Agency Manager does not have authority to complete the transfer on behalf of the Agency. Agency's legal heirs may perform the procedures outlined in this section to transfer a deceased Agency's Book of Business to another Agency or Agent certified by Covered California. In order to transfer the Book of Business, Agency must perform the following actions:

- a. Provide written notification to Covered California at least thirty (30) calendar days prior to transferring the Book of Business. This notification must identify the transferee of the Book of Business as well as the planned date of the transfer. For purposes of this section, "planned date of transfer" shall mean the date upon which the Agency intends that the transfer of the Book of Business will be effective. Agency understands that the transfer may occur subsequent to the planned date of transfer and is dependent upon Covered California's ability to process the transfer in a timely manner.
- b. Provide written notification to all Qualified Employers in the Agency's book of business that will be transferred to another Agency or Agent. This notification shall be sent at least thirty (30) calendar days prior to the planned date of transfer. This notice must identify the transferee of the Book of Business and the planned date of the transfer; and
- c. Submit a Book of Business transfer form to Covered California that identifies the Qualified Employers who are being transferred. Covered California shall provide Agency with the Book of Business transfer form upon request. Agency shall also use the form to attest that it provided its Qualified Employers with the notice identified in this section. Agency shall submit this form at least thirty (30) calendar days prior to the planned date of the transfer.

Upon receiving the Book of Business transfer form, Covered California shall process the form in a timely manner to effectuate the transfer. Once the

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transfer has been completed, Covered California shall provide the Agency with written notification advising the Agency of the completed transfer. This form shall also identify the effective date of transfer. Any assignment of commissions to the transferee shall be governed by Section A of Exhibit B.

16. Procedure of Distribution and Management of Agent's Book of Business upon Joining or Departing Agency:

If an Agent joins or departs Agency, the following requirements and procedures shall govern the distribution and management of the Agent's Book of Business:

- a. Should an Agent with an existing Book of Business join Agency, all or part of the Agent's Book of Business may be merged with the Agency's Book of Business. If all or part of the Agent's Book of Business is merged with the Agency, all commission payments associated with the merged Book of Business shall go to the Agency pursuant to the terms of Exhibit B. If the Agent does not merge his or her Book of Business or only merges part of it, the Agent shall continue to receive commission payments for the unmerged Book of Business pursuant to the Agent's respective agreement with Covered California. Once an Agent's Book of Business merges with the Agency, the Agency will own the Book of Business and receive commissions pursuant to Exhibit B. Subject to any agreement between the Agency and Agent, the Agent may remain the Agent of Record for some or all Consumers in his or her Book of Business upon joining the Agency. Pursuant to the terms of any agreement between the Agency and Agent, the Agency may re-delegate Consumers to a different Agent affiliated with the Agency at any time. Such re-delegation must comply with the requirements set forth in Section C(15) of this Exhibit.
- b. Should an Agent depart from an Agency, Agency shall have the capability to re-delegate any and all Consumers delegated to the Agent to another Agent affiliated with the Agency. Such re-delegation must comply with the requirements set forth in Section C(15) of this Exhibit.
- c. Depending on the Agency's policies, procedures, and contractual obligations, the departing Agent may continue to serve as the Agent of Record for any Consumer upon leaving the Agency. However, Agent must terminate the Non-Monetary Agent Agreement and execute an Agency Agreement in order to receive any payments after departing the

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Agency. Additionally, Agent and Agency must complete the appropriate Covered California form which specifies how the Consumers will be delegated between Agency and departing Agent.

- d. If Covered California terminates an Agent for cause or without cause, Agency must transfer the Agent's Consumer delegations to another Agent within the Agency. If the Agency does not transfer the delegations to another Agent, Agency may lose them. Covered California cannot ensure that the delegations remain with an Agency if the Agency does not re-delegate the Consumers.

17. Training Standards

To ensure that all Agents are prepared to serve CCSB, Agency shall ensure that its Agents who carry out Consumer assistance functions complete training in order to perform enrollment assistance and other duties as outlined in the CCSB Non-Monetary Agent Agreement. Training shall include the subjects as set forth below. Covered California may require Agents to receive additional training on any relevant subject after completing initial training to obtain certification. The completion of such training is a condition to remaining certified with Covered California. Initial training shall include the following subject areas:

- a. QHPs (including the metal levels described at 45 C.F.R. § 156.140(b)), and how they operate, including benefits covered, payment processes, rights, and processes for appeals and grievances, and contacting individual plans;
- b. Participation requirements;
- c. Small Business Federal Tax Credits;
- d. Reference Plan;
- e. Employer contributions;
- f. Basic concepts about CCSB and the benefits of enrolling through CCSB;
- g. Eligibility and enrollment rules and procedures, including how to appeal an eligibility determination;

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- h. Understanding differences among health plans;
 - i. Privacy and security standards applicable under 45 C.F.R. § 155.260 for handling and safeguarding Consumers' personally identifiable information;
 - j. Customer service standards as related to the CCSB Agent Code of Conduct;
 - k. Applicable administrative rules, processes, and systems related to Covered California and QHPs; and
 - l. Roles and responsibilities for Admin Staff (as defined below) who perform administrative tasks to assist Agents with enrollment and account management.
18. Agency shall ensure that its Agents are not concurrently certified as Plan Based Enrollers defined in Article 9, Title 10, of the California Code of Regulations.
19. Agency shall ensure that its Agents execute a non-monetary Agent Agreement prior to performing enrollment assistance or any other activities identified in this Agreement. Agency shall ensure that Covered California receives all executed Agent Agreements from all its Agents. If Covered California amends the Agent Agreement, Agency shall ensure that its Agents execute the amended Agreement and transmit it to Covered California by the specified deadline. This section shall not apply to sole proprietor Agencies since those Agencies only need to execute this Agreement.
20. Admin Staff: For purposes of this Agreement, Admin Staff are non-Agent employees, contractors, or subcontractors who perform administrative tasks on behalf of Agency to assist Consumers and have been approved by Covered California. Admin Staff have two (2) permission levels: Level 1 and 2. Admin Staff may view Agent list and search; access active Consumer lists; complete new applications or make updates to existing applications; upload eligibility documents for Consumers; and contact the Agent Service Center for assistance. Admin Staff with Level 2 access may also add Agents; transfer consumer delegations within an Agency; update agency location and hours; and conduct document uploads. Admin Staff may not enroll Consumers into QHPs, unless properly licensed and certified with Covered California.

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21. Agency and Admin Staff: Any Agency or Admin Staff with access to Personally Identifiable Information (PII) must comply with the privacy and security requirements as set forth in Exhibit D. Prior to accessing PII, Admin Staff shall complete the fingerprinting and background check requirement as set forth in Section C(5) of Exhibit D. Admin Staff must also complete privacy and security awareness training pursuant to Section C(6) of Exhibit D.

Additionally, Agency must ensure that Covered California has a complete roster of all active Admin Staff who perform any services under this Agreement. This is an ongoing obligation throughout the entire term of this Agreement. Should Agency need to update its Admin Staff roster for any reason, Agency shall request the appropriate form from Covered California to complete the update.

22. Agency and its Agents must comply with the Agent Code of Conduct when performing services under this Agreement. The Agent Code of Conduct is herein incorporated by reference and shall be located at:

<https://www.coveredca.com/agents/become-an-agent/code-of-conduct/>

Agency's execution of this Agreement constitutes its consent to comply with the Agent Code of Conduct that is incorporated by reference. No formal amendment is required for changes or modifications to the Agent Code of Conduct. By executing this Agreement, Agency understands and accepts that Covered California may modify or replace the Agent Code of Conduct upon ten (10) calendar days' prior notice to the Agency and that any modified Agent Code of Conduct will be posted to:

<https://www.coveredca.com/agents/become-an-agent/code-of-conduct/>

23. Requirements Related to Promotion and Sales of Health Care Sharing Ministry (HCSM) Products:

Agency and its Agents that promote, offer, or sell HCSM products to consumers must adhere to the following requirements:

- a. Agency and its Agents must perform an eligibility determination as outlined in Section C(5) of this Exhibit for any consumer interested in purchasing an HCSM product. Before enrolling a consumer in an HCSM product, Agency and its Agents must share the full results of the eligibility

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determination with the consumer and explain the benefits of enrolling in a QHP. Agency and its Agents must disclose all financial assistance that the Consumer may be eligible to receive and all insurance affordability programs that the consumer may be eligible to enroll in, such as Medi-Cal.

- b. Agency and its Agents must require Consumers to complete a Health Care Sharing Ministry Consumer Acknowledgement Form before enrolling them into an HCSM product. Covered California will make the form available to Agency and Agents via its website.

The Consumer Acknowledgement and Disclosure form can be located at:

https://hbex.coveredca.com/toolkit/PDFs/CC_HCSM_Disclosure_and_Product_Comparison_Table.pdf

- c. Agency must maintain hard or electronic copies of executed forms for a minimum of three (3) years. Agency must make these executed forms available to Covered California upon request.
- d. Agency must ensure its Agents complete an attestation to confirm compliance with this Section when completing any annual training requirements mandated by this Agreement.
- e. When requested by Covered California, Agency must disclose the total number of HCSM products sold in the previous plan year.

D. Covered California Rights:

Agency agrees that Covered California reserves the right to do any of the following:

1. Reject any and all applications submitted by Agency or its Agents; and
2. Discontinue, modify, or exercise all lawful rights in connection with any of its QHPs without liability to Agency or its Agents.

E. Agent Appointment:

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Appointments for plans sold through Covered California shall be made as follows:

Covered California grants to Agency and its Agents a non-exclusive, revocable appointment to enroll employers and employees in QHPs for all plans sold in the CCSB. This appointment shall not limit or prohibit Covered California from granting similar appointments to other Agencies or Agents and does not prohibit Agency and its Agents from accepting appointments from any insurance companies.

F. Compliance with Governing Statutes:

The Contractor understands that all services rendered under this Agreement must comply with any applicable federal or state laws and regulations, including, but not limited to, the following:

1. The Patient Protection and Affordable Care Act of 2010 and any accompanying regulations promulgated thereunder;
2. California Code of Regulations, Title 10, Section 6800 et seq.;
3. Sections 100501 through 100521 of the Government Code;
4. Section 1366.6 of the Health and Safety Code; and
5. Section 10112.3 of the Insurance Code.

G. Consumer Messaging:

Agent agrees to comply with all requirements as outlined in Exhibit E when promoting, advertising, or marketing to Consumers.

H. Term:

The initial term of this Agreement shall commence on the date that Covered California signs the Std. 213 Standard Agreement and terminates on June 30, 2027. This Agreement shall be automatically renewed for an additional five-year term unless Covered California terminates the Agreement by providing written notice to Agency at least thirty (30) calendar days prior to the date of termination.

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The written notice shall identify the effective date of termination.

I. Authorized Signer and Agency Manager:

Agency shall designate a representative to whom all communications may be addressed and who has the authority to act on all matters related to this Agreement. This individual shall be known as the Agency Manager. The Agency Manager will be the primary contact person for all issues pertaining to this Agreement. Unless the Agency also designates an Authorized Signer, the Agency Manager has total authority to act on behalf of Agency as authorized by this Agreement. Covered California will comply with all directions from the Agency Manager if Agency does not also designate an Authorized Signer. Covered California will not be liable for taking directions from an Agency Manager if that Agency Manager is acting without the Agency's authority and this fact is unknown to Covered California.

Agency must designate an Agency Manager after executing this Agreement and cannot transact business until informing Covered California in writing of the designation. The Agency Manager must complete administrative training before exercising any authority under this Agreement. An Agency may lose certification if its Agency Manager does not complete administrative training within thirty (30) calendar days after being designated.

The Agency Manager may designate a new Agency Manager at any time and must notify Covered California in writing when a new Agency Manager has been designated. The new Agency Manager must complete administrative training within thirty (30) calendar days after being designated.

If an Agency does not want its Agency Manager to have complete authority to act on its behalf for all matters related to this Agreement, Agency may also designate an Authorized Signer. An Authorized Signer acts on behalf of Agency, executes the Agency Agreement, and performs other duties related to this Agreement as needed. An Authorized Signer is not required to be an Agent.

J. Agent Services:

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EXHIBIT A
CCSB Agency Agreement
SCOPE OF WORK

For any communications or questions that arise during the term of this Agreement, Agency shall contact Agent Services at:

ATTN: Covered California – Sales Agent Services
1601 Exposition Blvd
Sacramento, CA 95815
(877) 453-9198
agents@covered.ca.gov

K. Fraud or Abusive Conduct:

1. If Covered California reasonably suspects that an Agency may have engaged in fraud, abusive conduct, or any behavior that may cause imminent or ongoing consumer harm using personally identifiable information of Covered California enrollee or applicant or in connection with an enrollment or application, Covered California may temporarily suspend this Agreement for up to ninety (90) calendar days. Suspension will be effective on the date of the notice that Covered California sends to the Agency advising of the suspension.
2. Agency may submit evidence in a form and manner to be specified by Covered California, to rebut the allegation during this ninety (90)-day period. If the Agency submits such evidence during the suspension period, Covered California will review the evidence and make a determination whether to lift the suspension within thirty (30) calendar days of receipt of such evidence. If the rebuttal evidence does not persuade Covered California to lift the suspension, or if the Agency fails to submit rebuttal evidence during the suspension period, Covered California may terminate this Agreement for cause under Section G of Exhibit C.
 - a. If there is a finding or determination by Covered California or any federal or state entity that an Agency engaged in fraud, abusive conduct, or any behavior which may result in imminent or ongoing consumer harm, using personally identifiable information of enrollees or applicants or in connection with an enrollment or application, Covered California will terminate this Agreement under Section G of Exhibit C. The termination will be effective starting on the date of the notice that Covered California

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sends to the Agency advising of the termination.

- b. During the suspension period and following termination of this Agreement, Agency will not be permitted to assist with or facilitate enrollment of Qualified Individuals, Qualified Employers, or Qualified Employees in coverage in a manner that constitutes enrollment through Covered California. Agency must continue to protect any personally identifiable information accessed during the term of this Agreement

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EXHIBIT B
CCSB Agency Agreement
BUDGET DETAIL AND PAYMENT PROVISIONS

BUDGET DETAIL AND PAYMENT PROVISIONS

A. Payment:

For sales in the CCSB:

1. Covered California shall pay Agency a percentage of the premium paid and retained for each QHP sold by Agency or its Agents through the CCSB. Agency shall be solely responsible for remitting any payments to its Agents pursuant to the Agency's policies, procedures, and contractual obligations. Covered California shall not be responsible for remitting payment directly to Agents affiliated with the Agency. Payment of commissions is contingent upon payment of premiums by the Qualified Employer. The percentage for each employer group shall be established by the "Schedule of Commissions" in place on the effective date of coverage. The "Schedule of Commissions" in Exhibit F is applicable to all QHPs sold by Agency once this Agreement is fully executed.

Unless all parties agree to sooner on an earlier effective date, Covered California may modify or replace its commission schedule upon providing a minimum of forty-five (45) calendar days prior written notice to Agency. Such modified or replacement schedule shall only apply to all QHPs sold by Agency on or after the effective date of the updated schedule. Covered California will post all updated "Schedule of Commissions" to:
<https://www.coveredca.com/agents>. Agency understands and agrees that no commissions will be paid for Individual Conversion Plan Contracts.

At its sole discretion, Covered California may update Exhibit F to include a performance incentive or "bonus" program that provides additional compensation above the standard commissions. The terms and conditions of any bonus program shall be fully set forth in Exhibit F and posted at:
<https://www.coveredca.com/agents>

2. **By executing this Agreement, Agency understands and accepts that Covered California may modify or replace its commissions schedule upon forty-five (45) calendar days prior notice to Agency and that any modified commissions schedule will be posted to:**
<https://www.coveredca.com/agents/>

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EXHIBIT B
CCSB Agency Agreement
BUDGET DETAIL AND PAYMENT PROVISIONS

Commissions shall continue to be paid if and only if all of the following conditions are satisfied: the Qualified Employer is enrolled in CCSB; the Qualified Employer remains in the Agency's Book of Business or in an Agent's Book of Business that is attached to the Agency; the Qualified Employer pays monthly premiums; and Agency continues to meet the following conditions:

- a. Maintain licensure and good standing with the California Department of Insurance. For purposes of this Agreement, "good standing" means that the Agency is authorized by the California Department of Insurance to transact in Accident and Health or Sickness insurance. Covered California may require proof of valid license and good standing by the California Department of Insurance as a condition of eligibility;
 - b. Agency maintains certification with Covered California pursuant to Section C(2) of Exhibit A. In the event that Agency's certification with Covered California is renewed within sixty (60) days of decertification, Agency shall be compensated retroactively, and commissions reinstated; and
 - c. Covered California does not terminate Agency's Agreement for cause as described in Section G of Exhibit C.
3. Book of Business and Commission Assignment Rights:

Subject to the requirements of Section C(15) in Exhibit A, Agency may transfer all or part of its Book of Business to another Agency or Agent certified by Covered California. The assignee will receive commissions once the transfer has been completed as specified in Section C(15).

B. Prompt Payment Clause:

Payment shall be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

C. Non-resident Tax Withholdings:

Payments to all nonresidents may be subject to withholding. Non-resident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California shall have seven percent of their

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EXHIBIT B
CCSB Agency Agreement
BUDGET DETAIL AND PAYMENT PROVISIONS

total payments withheld for state income taxes. No withholding is required, however, if total payments to the payee are \$1,500 or less for the calendar year.

D. Qualified Health Plan (QHP) Assessment Contingency Clause:

If the collection of fees assessed from QHPs are collectively not sufficient to provide the funds for this program, Covered California shall have the option to either cancel this Agreement with no liability occurring to Covered California or offer an agreement amendment to the Contractor to reflect the reduced amount.

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EXHIBIT C
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GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

A. Definitions:

1. "May" means an action that is discretionary, optional, or permissive.
2. "Must" means the same as "shall" and indicates a mandatory obligation or conduct; not optional, permissive, nor discretionary.
3. "Shall" means the same as "must" and indicates a mandatory obligation or conduct; not optional, permissive, nor discretionary.
4. "Should" means a strongly recommended or expected course of action unless inappropriate for a circumstance; not mandatory.
5. "State" or "state" shall mean the government of the State of California, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of California.
6. "Will" means a required future action or result.

B. Approval:

This Agreement is of no force or effect until signed by both parties.

C. Assignment:

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of Covered California in the form of a formal written amendment.

D. Audit:

Contractor agrees that the awarding department ("Covered California"), the California State Auditor, Health and Human Services, or their designated representatives, shall have the right to review and to copy any records and supporting documentation directly pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of ten years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably

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CCSB Agency Agreement
GENERAL TERMS AND CONDITIONS

have information related to such records. Further, Contractor agrees to include the same right of Covered California to audit records and interview staff in any subcontract related to performance of this Agreement (45 C.F.R. sec. 155.1210, Gov. Code Sec. 8546.7, Pub. Contract Code Sec. 10115 et seq., Cal. Code Regs, Title 2, Sec. 1896).

E. Indemnification:

Contractor agrees to indemnify, defend, and save harmless Covered California, its officers, trustees, agents, and employees from any and all claims, losses, costs, liabilities, damages, or deficiencies, including interest, penalties, and attorneys' fees, which:

1. Arise out of or are due to, or are alleged to arise out of or be due to, a breach by the Contractor of any of its representations, warranties, covenants or other obligations, implied or express, contained in this Agreement; or
2. Are caused by or result from, or are alleged to arise out of or result from, the Contractor's acts or omissions constituting bad faith, willful misfeasance, negligence, or reckless disregard of its duties under this Agreement; or
3. Accrue or result, or are alleged to accrue or result, to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement; or
4. Arise out of or are due to, or are alleged to arise out of or be due to, any claim or allegation of infringement, misappropriation or violation of any patent, copyright, trademark, trade secret, domain name or other intellectual property right comprising or involving any of the subject inventions, prior inventions or other inventions provided in any way by Contractor and used, reproduced or otherwise exploited by Covered California in connection with any of the Agreement programs or any turnover thereof; or
5. Arise out of or are due to, or are alleged to arise out of or be due to, any violation of applicable security or privacy laws, or any other applicable laws, by Contractor or any subcontractor or agent under Contractor's control.

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EXHIBIT C
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GENERAL TERMS AND CONDITIONS

If and to the extent that the Contractor has knowledge of a claim that it believes may develop into an action that would be subject to this Agreement, the Contractor shall promptly notify Covered California of the claim.

Right to Tender or Undertake Defense. If Covered California is named a party in any judicial, administrative, or other proceeding arising out of or in connection with a breach of this Agreement or a matter for which the Contractor is obligated to indemnify Covered California under this Agreement, then Covered California will have the option at any time to either (i) tender its defense to Contractor, in which case Contractor will provide qualified attorneys, consultants, and other appropriate professionals to represent Covered California's interests at Contractor's expense, or (ii) undertake its own defense, choosing the attorneys, consultants, and other appropriate professionals to represent its interests, in which case Contractor will be responsible for and shall pay reasonable fees and expenses of such attorneys, consultants, and other appropriate professionals. If Covered California elects' option (ii), above, the Contractor shall be afforded a reasonable opportunity to participate in the defense and attend the legal proceedings at its own expense. However, Covered California shall have sole control of the defense.

Right to Control Resolution. Notwithstanding that Covered California may have tendered its defense to the Contractor, neither party shall settle, compromise or resolve any claims, causes of action, liabilities or damages against Covered California without the consent of the other party, which consent shall not be unreasonably withheld. Any such resolution will not relieve the Contractor of its obligation to indemnify Covered California.

F. Disputes:

1. The parties shall deal in good faith and attempt to resolve disputes informally. If the dispute persists, Contractor shall submit a written dispute notice to the Agent Services within fifteen (15) business days after the date of the action causing the dispute. The written dispute notice shall contain the following information:
 - a. The decision or issue under dispute;
 - b. The reason(s) Contractor believes the decision or position taken by Covered California is in error (if applicable, reference pertinent Contract provisions);

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- c. Identification of all documents and substance of all oral communication which support Contractor's position; and
 - d. The dollar amount in dispute, if applicable.
 2. Within fifteen (15) business days after receipt of the dispute notice, Agent Services shall issue a written decision regarding the dispute. The written decision shall include the following information:
 - a. A description of the dispute;
 - b. A reference to pertinent Contract provisions, if applicable;
 - c. A statement of the factual areas of agreement or disagreement; and
 - d. A statement of Covered California's decision with supporting rationale.
 3. If the Contractor is not satisfied with the decision of Covered California, the Contractor may, within fifteen (15) business days of Covered California's decision, submit a written appeal to Covered California Executive Director. The Executive Director shall then issue a final decision on the dispute within thirty (30) business days after receiving Contractor's written appeal. If the Executive Director fails to render a final decision within thirty (30) business days after receipt of Contractor's written appeal, it shall be deemed a final decision adverse to the Contractor's contentions. The Executive Director's final decision shall be conclusive and binding regarding the dispute unless Contractor commences an action in a court of competent jurisdiction to contest such decision within thirty (30) calendar days following the date of the final decision.

Pending the final resolution of any dispute arising under, related to, or involving this Agreement, Contractor agrees to diligently proceed with the performance of this Agreement, in accordance with Covered California's instructions. Contractor's failure to diligently proceed in accordance with Covered California's instructions shall be considered a material breach of this Agreement.

G. Termination for Cause:

Covered California may terminate this Agreement for cause and be relieved of any payments at any time. Upon notice from Covered California terminating this Agreement for Cause, Contractor shall immediately discontinue all activities

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affected, unless the notice directs otherwise, and Covered California may proceed with the work in any manner deemed proper by Covered California. In such event, Covered California shall not be liable to pay Contractor any compensation from the date of termination, and all costs to Covered California shall be remitted to Covered California within thirty (30) calendar days. Covered California may, at its sole discretion, offer an opportunity to cure any breach prior to terminating for default. A failure to terminate this Agreement for cause shall not be a waiver of the right to do so with respect to any past, current or future default. Such right of termination shall be without prejudice to any other remedies available to Covered California. Covered California may terminate this Agreement for cause without prior written notice to Agent at any time for any of the following occurrences:

1. Discontinuation or termination of Agency operations or death of Agent (if a sole proprietor). If this Agreement is terminated because of the death of an Agent, Agent's legal heirs may elect to, within one-hundred-eighty (180) days following the death of Agent, transfer a Book of Business pursuant to the requirements of Section C(15) of Exhibit A;
2. Revocation, suspension, or expiration of licensure by the California Department of Insurance;
3. Revocation, suspension, or expiration of Agency's certification by Covered California;
4. Commission of a fraudulent, illegal, deceitful, or dishonest act as determined by Covered California;
5. Agency's failure to comply with any provision of this Agreement;
6. Threatening, harassing, or acting in an abusive manner toward Covered California or any of its employees, agents, representatives, or Consumers; or
7. Discontinuation or termination of CCSB operations and cancellation of associated policies.

Although termination is effective immediately, Agency may dispute the Termination for Cause decision pursuant to Section F of this Exhibit, Dispute Provisions.

H. Termination without Cause:

This Agreement may be terminated at any time by either party upon giving thirty

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(30) days prior written notice thereof to the other party. The effective date of termination shall be on the first day of the month following the thirty (30) day notice period unless said notice specifies a later date.

In the event that Contractor terminates this Agreement without cause, Contractor shall not be eligible for any future compensation upon expiration of the thirty (30) days' written notice period.

In the event that Covered California terminates this Agreement without cause, Contractor may receive future compensation on the existing Book of Business if Contractor and Covered California execute a separate Maintenance Agreement or Agent Agreement that will outline the terms and conditions for continued receipt of compensation pursuant to Exhibit B.

I. Independent Contractor:

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of Covered California except for purposes of Civil Code Section 1798.24.

J. Recycling Certification:

The Contractor shall certify in writing under penalty of perjury the minimum, if not exact, percentage of recycled content, both post-consumer waste and secondary waste, as defined in the Public Contract Code Section 12200, in materials, goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code Section 12209. Contractor may certify that the product contains zero recycled content.

K. Non-discrimination Clause:

During the performance of this Agreement, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass, retaliate, or allow discrimination, harassment, or retaliation against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, genetic information, gender, gender identity, gender expression, military or veteran status, and use of family and medical care leave pursuant to State or federal law. Contractor and subcontractors, as well as their agents and employees, shall ensure that the evaluation and treatment of their

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employees and applicants for employment are free from such discrimination, harassment, and retaliation. The Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Sec. 12900 et seq.) and the applicable regulations promulgated thereunder (Title 2, Cal. Code of Regs. Sec. 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990, set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

Contractor and subcontractors must provide prompt notice to Covered California's Equal Employment Opportunity (EEO) Office of any allegations it becomes aware of regarding workplace discriminatory, harassing, or retaliatory conduct involving a Covered California employee, applicant, unpaid intern, visitor, or volunteer. Covered California's EEO Office's contact information is as follows:

Email: EEO@covered.ca.gov
Fax: (916) 228-8909

To the extent that this Agreement falls within the scope of Government Code Section 11135, Contractor hereby agrees to respond to and resolve any complaint brought to its attention regarding accessibility of its products or services.

L. Contractor Certification Clauses and California Civil Rights Law Certification:

1. Compliance:

Contractor certifies that it is in compliance and will remain in compliance with all applicable federal and state laws.

2. Nondiscrimination Clauses:

Contractor certifies that it will comply with all Federal and state statutes and regulations relating to nondiscrimination. These include, but are not limited to,

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the following:

- a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which Federal financial assistance is provided by the Department of Health and Human Services.
- b. Title IX of the Education Amendments of 1972 (Pub. L. 92-318), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 86), to the end that, in accordance with Title IX and the Regulation, no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any education program or activity for which Federal financial assistance is provided by the Department of Health and Human Services.
- c. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 84), to the end that, in accordance with Section 504 of that Act and the Regulation, no otherwise qualified individual with a disability in the United States shall, solely by reason of her or his disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which Federal financial assistance is provided by the Department of Health and Human Services.
- d. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 C.F.R. Part 91), to the end that, in accordance with the Act and the Regulation, no person in the United States shall, on the basis of age, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity for which Federal financial assistance is provided by the Department of Health and Human Services.

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- e. Americans With Disabilities Act (ADA) of 1990, as amended, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).
 - f. The Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (Title 2, California Code of Regulations, Section 11000 et seq.) require that during the performance of this Agreement, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including health impairments related to or associated with a diagnosis of cancer for which a person has been rehabilitated or cured), age (over 40), marital status, and use of family and medical care leave pursuant to state or federal law. Contractor and subcontractors, as well as their agents and employees, shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement; and
 - g. The requirements of any other nondiscrimination statute(s) which may apply to this Agreement.
3. Conflict of Interest for Current or Former State Employees:

Contractor acknowledges the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, Contractor shall contact Covered California immediately for clarification.

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a. Current State Employees:

- i. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- ii. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

b. Former State Employees:

- i. For the two (2)-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transaction, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- ii. For the twelve (12)-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the twelve (12)-month period prior to his or her leaving state service.

If Contractor violates any provisions of the above paragraphs, such action by Contractor shall render this Agreement void.

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem.

4. Labor Code/Workers' Compensation:

Contractor acknowledges the provisions of law which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor agrees to comply with such provisions before commencing the performance of the work of this

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Agreement (Labor Code Section 3700).

5. Contractor Name Change:

Contractor acknowledges that an amendment is required to change the Contractor name as listed on this Agreement. Upon receipt of legal documentation of the name change, Covered California shall process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

6. Air or Water Pollution Violation:

- a. In violation of any order or resolution not subject to review promulgated by Covered California Air Resources Board or an air pollution control district;
- b. Subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or
- c. Finally determined to be in violation of federal law provisions relating to air or water pollution.

7. Drug-Free Workplace Requirements:

Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 and shall provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The person's or organization's policy of maintaining a drug-free workplace;

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- iii. Any available counseling, rehabilitation, and employee assistance programs; and
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement shall:
- i. Receive a copy of the company's drug-free workplace policy statement; and
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if Covered California determines that any of the following has occurred: Contractor has made false certification or violated the certification by failing to carry out the requirements as noted above. (Govt Code Section 8350 et seq.)

8. National Labor Relations Board Certification:

Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two (2)-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board. (PCC 10296) (Not applicable to public entities.)

9. Payee Data Record Form Std. 204:

Contractor acknowledges that this form must be completed by all Contractors. Contractor will complete the STD. 204 Payee Data Record only if it enrolls Employers and Employees in CCSB and be paid commissions from Covered California. Contractor must complete an STD. 204 before it receives any commission payments from Covered California.

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10. Computer Software Copyrights:

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

11. Activities Abroad:

Contractor certifies that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

12. Covenant Against Contingent Fees:

Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, Covered California shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

13. Resource Conservation and Recovery Act:

Contractor certifies that preference shall be given to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency (EPA) at 40 CFR parts 247-254. (2 CFR 215.16)

M. Tax Delinquency:

Contractor acknowledges that prior to executing any contract, Contractor will obtain written verification from the Franchise Tax Board (FTB) and the Board of Equalization (BOE) that Contractor is not identified as tax delinquent. Contractor also acknowledges that the continuation of this contract is contingent upon maintaining good standing with FTB and BOE. Should the tax status of Contractor

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change with respect to either of these state agencies, Contractor must notify Covered California immediately.

N. Timeliness:

Time is of the essence in this Agreement.

O. Compensation:

The consideration to be paid to Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

P. Governing Law:

This Agreement shall be administered, construed, and enforced according to the laws of the State of California without regard to any conflict of law provisions to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in the State or federal courts sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

Q. Antitrust Claims:

By signing this Agreement, the Contractor hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Code sections set out below.

1. The Government Code chapter on antitrust claims contains the following definitions:
 - a. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the attorney general may bring an action pursuant to Subdivision (c) of Section 16750 of the Business and Professions Code.

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- b. "Public purchasing body" means the State or the subdivision or agency making a public purchase. (Gov. Code Sec. 4550.)
2. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act, Chapter 2 (Commencing with Sec. 16700) of Part 2 of Division 7 of the Bus. & Prof. Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. (Gov. Code Sec. 4552.)
 3. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. (Gov. Code Sec. 4553.)
 4. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. (Gov. Code Sec. 4554.)

R. Child Support Compliance Act:

In accordance with the Child Support Compliance Act:

1. The Contractor acknowledges the importance of child and family support obligations and shall fully comply with all applicable State and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with sec. 5200) of Part 5 of Division 9 of the Family Code; and

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2. The Contractor, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

S. Severability:

If any provision in this Agreement is invalid or unenforceable in any jurisdiction, the other provisions herein shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to effectuate the purpose and intent of this Agreement, and the invalidity or unenforceability of any provision in this Agreement in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction.

T. Union Organizing:

By signing this Agreement, Contractor hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement and agrees to the following:

1. Contractor will not assist, promote, or deter union organizing by employees performing work on a State service contract, including a public works contract.
2. No State funds received under this Agreement will be used to assist, promote, or deter union organizing.
3. Contractor will not, for any business conducted under this Agreement, use any State property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the State property is equally available to the general public for holding meetings.
4. If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from State funds has been sought for these costs, and Contractor shall provide those records to the attorney general upon request.
5. Contractor will be liable to the State for the amount of any funds expended in violation of the requirements of government.

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U. Domestic Partners:

Notwithstanding any other provision of law, no State agency may enter into any contract for the acquisition of goods or services in the amount of \$100,000 or more with a contractor who, in the provision of benefits, discriminates between employees with spouses and employees with domestic partners, or discriminates between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discriminates between same-sex and different-sex domestic partners of employees or between same-sex and different-sex spouses of employees.

V. Legal Services Requirements:

For all contracts that provide legal services:

1. The Contractor shall agree to adhere to legal cost and billing guidelines designated by Covered California.
2. The Contractor shall adhere to litigation plans designated by Covered California.
3. The Contractor shall adhere to case phasing of activities designated by Covered California.
4. The Contractor shall submit and adhere to legal budgets as designated by Covered California.
5. The Contractor shall maintain legal malpractice insurance in an amount not less than the amount designated by Covered California.
6. The Contractor shall submit to legal bill audits and law firm audits if requested by Covered California. The audits may be conducted by employees or designees of Covered California or by any legal cost control providers retained by Covered California for that purpose.

W. Minimum Pro-Bono Certification:

For all contracts over \$50,000 that provide legal services, the Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the less of thirty (30) multiplied by the number of full time attorneys in the firm's offices in the State, with the

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number of hours prorated on an actual day basis for any contract period of less than a full year or ten (10) percent of its contract with the State. Failure to make a good faith effort may be cause for non-renewal of a State contract for legal services and may be taken into account when determining the award of future contracts with the State for legal services.

X. Priority Hiring Considerations for Recipients of Aid:

If this Agreement includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Public Contract Code Section 10353. This requirement shall not interfere with or require a violation of a collective bargaining agreement, a federal affirmative action obligation for hiring disabled veterans of the Vietnam era, or nondiscrimination compliance laws of California, and does not require the employment of unqualified recipients of aid.

Y. Certification Regarding Lobbying:

Applicable to grants, sub-grants, cooperative agreements, and contracts exceeding \$100,000 in federal funds.

1. For agreements with contractors who are State entities not under the authority of the Governor, or cities, private firms or agencies which are receiving in excess of \$100,000 in federal funds from Covered California to perform services. By signing this Agreement, the Contractor certifies that to the best of his or her knowledge and belief that:
 - a. No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of a federal contract, the making of a federal grant, the making of a federal loan, the entering into of a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or

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employee of congress, or an employee of a member of congress in connection with this federal grant or agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- c. The Contractor shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in federal funds at all appropriate tiers and that all sub-recipients shall certify and disclose accordingly.
2. This certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, United States Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of no less than \$10,000 and not more than \$100,000 for each such failure.

Z. Computer Software Copyrights:

Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

AA. Executive Compensation Reporting:

To the extent applicable, pursuant to 2 Code of Federal Regulations Part 170, certain sub-recipients of federal awards that in the previous fiscal year received 80 percent or more of their annual gross revenues from federal procurement contracts and subcontracts and federal financial assistance subject to the Transparency Act, as defined at 2 Code of Federal Regulations Section 170.320 (and sub-awards); and \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts) and federal financial assistance subject to the Transparency Act (and sub-awards); and the public does not have access to information about the compensation of the executives through periodic reports filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. sec. 78m(a), 78o(d)) or Section 6104 of the Internal Revenue Code of 1986, the sub-recipient must report the names and total compensation of each of the sub-recipient's five most highly compensated executives for the sub-recipient's preceding completed fiscal year.

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BB. Subcontractors:

Applicable to agreements in which the Contractor subcontracts out a portion of the work. Nothing contained in this Agreement or otherwise shall create any contractual relationship between Covered California and any subcontractors, and no subcontractor shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor agrees to be fully responsible to Covered California for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of Covered California to make payments to the Contractor. As a result, Covered California shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

CC. Insurance Requirements:

When Contractor submits a signed Agreement to Covered California, Contractor shall furnish to Covered California a certificate of insurance, stating that there is:

Errors and Omissions Insurance in force in an amount satisfactory to Exchange, but no less than \$1,000,000 per occurrence and \$1,000,000 aggregate limit of all claims filed in the policy year and from a carrier satisfactory to Exchange. Agency shall be noted on the certificate. The obtaining and maintenance of such insurance shall be a material requirement of this Agreement.

DD. Intellectual Property Rights:

1. All deliverables as defined in Exhibit A, Scope of Work, originated or prepared by the Contractor pursuant to this Agreement, including papers, reports, charts, and other documentation, but not including Contractor's administrative communications and records relating to this Agreement, shall, upon delivery and acceptance by Covered California, become the exclusive property of Covered California and may be copyrighted by Covered California.
2. All inventions, discoveries or improvements of the techniques or programs or materials developed pursuant to this Agreement shall be the property of Covered California.

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3. This Agreement shall not preclude the Contractor from developing materials outside this Agreement which are competitive, irrespective of their similarity to materials which might be delivered to Covered California pursuant to this Agreement. All preexisting intellectual property, copyrights, trademarks, and products shall be the sole property of the Contractor.

EE. Confidentiality:

The Contractor agrees to protect the personal information of all Covered California consumers and employees by following applicable federal and State privacy and security requirements.

Contractor acknowledges that by contracting with Covered California, Contractor waives any reasonable expectation of privacy in the contract information, name, and signature provided herein.

All financial, statistical, personal, technical, and other data and information related to Covered California's operations that are not publicly available and that become available to Contractor shall be protected by Contractor during or after its relationship with Covered California from unauthorized use and disclosure. Contractor agrees that Contractor shall not use any confidential information for any purpose other than carrying out the provisions of the Agreement. Confidential information includes, but is not limited to, all non-public information, including proprietary information, of Covered California including without limitation: the deliverables; trade secrets; know-how; concepts; methods; techniques; designs; drawings; specifications; computer programs, including Covered California's software; support materials; information regarding Covered California's business operations and plans; client, customer, or supplier lists; pricing information; marketing plans or information; or other records concerning Covered California's finances, contracts, services, or personnel.

At the conclusion of its relationship with Covered California, Contractor shall return any and all records or copies of records relating to Covered California, or its business, or its confidential information. Contractor shall take such steps as may be reasonably necessary to prevent disclosure of confidential information to others and shall not disclose confidential information to others without the prior written consent of Covered California. Contractor agrees that confidential information disclosed to it under the terms of this Agreement may be disclosed only to its employees or agents who have a need to know such confidential information.

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This provision not to disclose confidential information will continue to apply after termination of this Agreement, and until such time as the confidential information becomes public knowledge through no fault of its own. Contractor will report to Covered California any and all unauthorized disclosures of confidential information. Contractor acknowledges that any publication or disclosure of confidential information to others may cause immediate and irreparable harm to Covered California, and if Contractor should publish or disclose confidential information to others, Covered California shall be entitled to injunctive relief or any other remedies to which it is entitled under law or equity without posting a bond.

FF. Waiver of Breach:

The waiver by Covered California of any breach by Contractor of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by Contractor.

GG. Contractor Limitations:

Contractor acknowledges that in governmental contracting even the appearance of a conflict of interest is harmful to the interest of the State. Thus, Contractor agrees to refrain from any practices, activities or relationships that could reasonably be considered to be in conflict with Contractor's fully performing his/her obligations to the State under the terms of this Agreement. Contractor shall inquire about and require disclosure by its staff and subcontractors of all activities that may create an appearance of conflict. In the event that Contractor is uncertain whether the appearance of a conflict of interest may reasonably exist, Contractor shall submit to Covered California Project Manager a full disclosure statement setting forth the relevant details of any activity which the Contractor reasonably believes may have the appearance of a conflict of interest for Covered California's consideration and direction. Failure to promptly submit a disclosure statement setting forth the relevant details for Covered California consideration and direction shall be grounds for termination of this Agreement.

HH. Statement of Economic Interests:

The Contractor understands that the Contractor's key staff (defined for purposes of this Section as those individuals who fall within the definition of "consultant" pursuant to 2 CCR Section 18700.3(a)) performing work under this Agreement may be designated by Covered California as required to file a Statement of Economic Interest (Form 700) with Covered California (Designated Filer). If, during the term of this agreement, any key staff are added to work on this Agreement, such staff

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who fall within the definition of consultant as specified above must file a Form 700 with Covered California.

The Contractor understands that the Contractor's key staff performing work under this Agreement may be required to file a Form 700 electronically with Covered California's electronic filing system as follows:

1. Within thirty (30) days of receiving notification by email (Assuming Office Form 700);
2. Annually thereafter while remaining a consultant as defined in the regulations cited above upon receiving notification by email, but no later than the first Monday in April of each subsequent year (Annual Form 700); and
3. Within thirty (30) days of ceasing to be such a consultant to Covered California (Leaving Office Form 700).

II. Ethics Training:

All Contractor's key staff who file a Form 700 pursuant to Section JJ must provide a copy of their current certificate of completion of the California Attorney General's Ethics Training Course for State Officials as follows:

1. At the same time that the Assuming Office Form 700 is due, as instructed by the notification emailed by Covered California's electronic system; and
2. At least once every two calendar years thereafter during which he/she remains a consultant, as defined above, to Covered California.

JJ. Corporate Qualifications to do Business in California:

1. Contractor acknowledges that, when agreements are to be performed in Covered California by corporations, Covered California will verify that the Contractor is currently qualified to do business in California in order to ensure that all obligations due to Covered California are fulfilled.
2. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate Contractor performing within Covered California not be subject to the franchise tax.

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Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Covered California will determine whether a corporation is in good standing by contacting the Office of the Secretary of State.

KK. Communication with Contractor:

1. E-Mail Communication:

Unless directed otherwise by Contractor, Covered California shall use e-mail as its primary form of communication to Contractor. However, while e-mail shall serve as Covered California's primary form of communication, Covered California is not prevented from using other modes of communication when necessary. The Contractor shall provide Covered California with an e-mail address that the Contractor checks on a regular basis as to ensure that the Contractor can receive Covered California's e-mail communications. The Contractor shall take steps to ensure that the Contractor's e-mail account is secure and complies with all applicable provisions of Exhibit D of this Agreement.

2. U.S. Mail Communication:

Covered California may send communications and other documents to the Contractor via U.S. Mail. In the event that Covered California cannot communicate to the Contractor via e-mail, Covered California shall communicate via U.S. Mail when necessary. Contractor shall provide Covered California with the Contractor's most recent business address or other address in which the Contractor may expect to receive regular mail. Contractor shall ensure that Covered California has the Contractor's most recent address during the entire term of this Agreement.

LL. Effective Date of Notices:

All notices under the terms and conditions of this Agreement shall be in writing and delivered via e-mail or U.S. Mail. Notices delivered via e-mail during regular business hours shall be effective upon receipt. Notices delivered via e-mail after regular business hours shall be effective on the next business day. For purposes of this Agreement, regular business hours shall be 8am to 5pm PST. All notices delivered via U.S. Mail shall be effective upon receipt or ten (10) business days following the date of mailing, whichever is earlier. Hard copy notices for Covered

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California can be delivered via U.S. Mail using the address listed in Exhibit A of this Agreement.

MM. Amendment:

This Agreement may be amended by Covered California with advance written notice to Contractor. No formal amendment is required for changes or modifications to this Agreement. Contractor understands and agrees that Covered California may modify or replace any Exhibit in this Agreement upon forty-five (45) calendar days prior written notice to Contractor. Written notice will identify all proposed changes to the Agreement as well as the date in which the changes will become effective. Any new or amended Exhibit will be posted to: <https://www.coveredca.com/agents/>. Amendments to Exhibit F will be handled according to the procedures outlined in that Exhibit.

By executing this Agreement, Contractor understands and accepts that Covered California may modify or replace any Exhibit in this Agreement upon forty-five (45) calendar days prior written notice to Contractor and that any new or amended Exhibit will be posted to: <https://www.coveredca.com/agents/>. Contractor's continued performance of services under this Agreement will constitute consent and acceptance of any changes to this Agreement. If Contractor does not want to be bound by the terms of an amended Agreement, Contractor may terminate this Agreement without cause pursuant to Section H of this Exhibit.

No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.

NN. California Consumer Privacy Act (CCPA):

Contractor shall comply with the California Consumer Privacy Act of 2018 (California Civil Code Section 1798.100, et al.) if it is subject to the CCPA. Contractor shall provide its consumers with all rights afforded by the CCPA and shall honor those rights whenever its consumers exercise them. Contractor shall also provide any notices to consumers when required. Failure to comply with the CCPA authorizes Covered California to terminate this Agreement for cause under Section G of this Exhibit.

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EXHIBIT D
CCSB Agency Agreement
PRIVACY AND SECURITY REQUIREMENTS

PRIVACY AND SECURITY REQUIREMENTS

A. Purpose of Exhibit

1. This Exhibit sets forth the privacy and security requirements that apply to all Personally Identifiable Information (PII) that Contractor obtains, maintains, transmits, uses or discloses from Covered California pursuant to this Agreement.
2. The parties agree to all terms and conditions of this Exhibit in order to ensure the integrity, security, and confidentiality of the information exchanged pursuant to this Agreement, and to allow disclosure and use of such information only as permitted by law and only to the extent necessary to perform functions and activities pursuant to this Agreement.
3. This Exhibit establishes requirements in accordance with applicable federal and state privacy and security laws including, but not limited to, the Information Practices Act (California Civil Code Section 1798 et seq.), the federal Patient Protection and Affordable Care Act (P.L. 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) (herein, the "Affordable Care Act"), and its implementing regulations at 45 C.F.R. Sections 155.260 and 155.280 (the "Exchange Privacy and Security Rules") and, where applicable, the Health Insurance Portability and Accountability Act (42 U.S.C. Section 1320d-d8) and the Health Information Technology for Economic and Clinical Health Act and their implementing regulations at 45 C.F.R. Parts 160 and 164 (collectively, "HIPAA"), as well as applicable privacy and security control protocols set forth within the Minimum Acceptable Risks For State-Based Exchanges document suite ("MARS-E").

B. Definitions

The following definitions shall apply to this Exhibit:

1. Breach: Shall mean a confirmed "breach of the security of the system" as such term is specifically-defined within the CA Information Practices Act [CA Civ. Code §1798.29(f)].
2. Disclosure: The release, transfer, provision of access to, or divulging in any other manner of PII outside the entity holding the information.

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3. **Personal Information or PI:** Information that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual [CA Civ. Code §1798.3].
4. **Personally Identifiable Information or PII:** Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc. (OMB M-07-16.) PII includes Personal Information (PI) and Protected Health Information (PHI).
5. **Protected Health Information or PHI:** Individually Identifiable Health Information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as defined in 45 C.F.R. Section 160.103.
6. **Privacy Incident:** shall mean either: i) the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to PII, whether physical, or electronic; or ii) a reasonable belief that unauthorized acquisition of PII that compromises the security, confidentiality or integrity of the PII has occurred
7. **Security Incident:** The act of violating an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification, or destruction. Adverse events such as floods, fires, electrical outages, and excessive heat are not considered incidents. (Computer Matching Agreement, Agreement No. 2013-11, p.5.)

C. Applicable Laws

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Contractor shall comply with any and all federal and state privacy and security laws, as well as applicable rules and regulations pertaining to Covered California including, but not limited to, those arising under the federal Patient Protection and Affordable Care Act and its implementing regulations. To the extent a conflict arises between any laws or other requirements, Contractor agrees to comply with the applicable requirements imposing the more stringent privacy and security standards.

1. Exchange Privacy and Security Rules (45 C.F.R. Section 155.260).
 - a. In accessing, collecting, using or disclosing PII in performing functions for Covered California as authorized by this Agreement, Contractor shall only use or disclose PII to the minimum extent such information is necessary to perform such functions.
 - b. Contractor shall establish and implement privacy and security standards that are consistent with the principles of 45 C.F.R. Section 155.260(a)(3) as set forth below in subsections (i) through (viii):
 - i. Individual access. Individuals shall be provided with a simple and timely means to access and obtain their PII in a readable form and format;
 - ii. Correction. Individuals shall be provided with a timely means to dispute the accuracy or integrity of their PII and to have erroneous information corrected or to have a dispute documented if their requests are denied;
 - iii. Openness and transparency. Contractor shall be open and transparent regarding its policies, procedures, and technologies that directly affect individuals and/or their PII;
 - iv. Individual choice. Individuals shall be provided a reasonable opportunity and capability to make informed decisions about the collection, use, and disclosure of their PII;
 - v. Collection, use and disclosure limitations. PII shall be created, collected, used, and/or disclosed only to the extent necessary to accomplish a specified purpose(s) and never to discriminate inappropriately;

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EXHIBIT D**CCSB Agency Agreement****PRIVACY AND SECURITY REQUIREMENTS**

- vi. Data quality and integrity. Contractor will take reasonable steps to ensure that PII is complete, accurate, and up-to-date to the extent necessary for Contractor's intended purposes and has not been altered or destroyed in an unauthorized manner;
- vii. Safeguards. PII will be protected with reasonable operational, administrative, technical, and physical safeguards to ensure its confidentiality, integrity, and availability and to prevent unauthorized or inappropriate access, use, or disclosure; and,
- viii. Accountability. Contractor will use appropriate monitoring and other means and methods to assure accountability with these principles and to report and mitigate non-adherence and breaches.

2. California Information Practices Act.

Contractor shall comply with the applicable privacy and security provisions of the Information Practices Act of 1977, California Civil Code Section 1798 et seq. and shall provide assistance to Covered California as may be reasonably necessary for Covered California to comply with these provisions [CA Civ. Code §1798].

3. Health Insurance Portability and Accountability Act ("HIPAA").

- a. Contractor expressly acknowledges and agrees that Covered California is not a health care provider, a health care plan, or a health care clearinghouse. Accordingly, the parties mutually acknowledge and agree that, for purposes of this Agreement, Covered California is not a Covered Entity as such term is specifically defined in HIPAA.
- b. Contractor expressly acknowledges and agrees that where Covered California performs a function required under applicable law pursuant to 45 C.F.R. Section 155.200, it is not acting as a Business Associate of any other Covered Entity and Contractor is not acting as Covered California's Business Associate, as such terms are specifically defined in HIPAA. Should Covered California determine Contractor to be a Covered Entity or Business Associate as specifically-defined within HIPAA, Contractor shall at all times comply with applicable privacy and information security obligations imposed under HIPAA pertaining to any PII subject to this Agreement.

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PRIVACY AND SECURITY REQUIREMENTS

4. Fingerprinting and Background Checks. (CA Gov. Code Section 1043).
 - a. Before any individual who provides services related to this Agreement may access PII, including but not limited to any employee, subcontractor or other person, Contractor must ensure that any such individual shall agree to a criminal background check, which shall be conducted by Covered California in accordance with California Government Code Section 1043, and its implementing regulations set forth in California Code of Regulations, Title 10, Section 6456. Fees charged by the California Department of Justice for the cost of processing such requests shall be paid by Contractor.
 - b. Background check records shall be maintained by Covered California for so long as any such individual is employed with Contractor or, if applicable, Contractor's subcontractor plus a period of no less than five (5) years thereafter. Contractor shall provide Covered California with a list of any such individuals subject to this requirement and shall provide, update and notify Covered California of any personnel changes involving any such individuals via e-mail at backgroundchecks@covered.ca.gov.
 - c. For any insurance agent licensed by the California Department of Insurance (CDI) Covered California may obtain a criminal history check in accordance with Government Code Section 1043 from CDI.
5. Privacy and Security Awareness Training (MARS-E).
 - a. Contractor shall ensure that any and all employees, agents, representatives or subcontractors who are provided access to PII have been provided privacy and security awareness training prior to accessing PII.
 - b. Contractor shall provide annual privacy and security awareness training to the aforementioned individuals no less than once per year thereafter.
 - c. Contractor shall likewise ensure that any and all such employees, agents, representatives or subcontractors certify in writing their completion of any such privacy and security awareness programs and, upon request, shall provide Covered California with copies of the same.
 - d. Contractor shall retain the aforementioned certifications for a period of five (5) years and shall provide the copies upon request during this time.

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- e. Upon reasonable request by Covered California, Contractor shall ensure that the aforementioned individuals subject to the above-referenced training requirements are enrolled in and participate in privacy and security awareness training provided by Covered California. Privacy and security awareness training provided by Covered CA shall be provided in an online format, free-of-charge and, upon reasonable request, Contractor shall cooperate in good-faith with Covered California to ensure that any such individuals are provided access.
- f. Notwithstanding the foregoing, Contractor shall be deemed to have complied with the above-referenced requirements through the completion of any certification program which includes privacy and security awareness training and is required for Contractor's participation in Covered California.

D. Consumer Rights

1. Accounting of Disclosures

- a. Contractor shall assist Covered California in responding to accounting requests by individuals that are made to Covered California under the Information Practices Act (Civil Code Section 1798.25-29) and if Protected Health Information is involved, pursuant to HIPAA, 45 C.F.R. Section 164.528.
- b. The obligation of Contractor to provide an accounting of disclosures as set forth herein survives the expiration or termination of this Agreement with respect to accounting requests made after such expiration or termination.

2. Copies of Records Requests

Regardless of whether a request is made to Covered California or to Contractor, Contractor shall respond to the request with respect to the record Contractor and its subcontractors maintain, if any, in a manner and time frame consistent with requirements specified in the Information Practices Act (Civil Code Sections 1798.30-1798.34) and if Protected Health Information is involved, with HIPAA (45 C.F.R Section 164.524).

3. Requests to Amend Records

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- a. Contractor shall make any amendments to Personally Identifiable Information in a record that Covered California directs or agrees to, whether at the request of Covered California or an Individual.
 - b. Regardless of whether a request to amend records is made to Covered California or to Contractor, Contractor shall respond to the request with respect to the record Contractor and its subcontractors maintain in a manner and time frame consistent with requirements specified in the Information Practices Act (Civil Code Section 1798.35) and if Protected Health Information is involved, with HIPAA (45 C.F.R. Section 164.526).
4. Requests to Restrict Use and Disclosure of Personally Identifiable Information
- a. Contractor shall reasonably comply with any requests to restrict the use and disclosure of Personally Identifiable Information.
 - b. If Protected Health Information is involved, Contractor shall respond to the request in a manner and time frame consistent with requirements specified in HIPAA (45 C.F.R. Section 164.522).
5. Confidential Communications Request
- a. Upon receipt of written notice, Contractor shall reasonably comply with any requests to utilize an alternate address, email, or telephone number when communicating with the individual.
 - b. If the request is denied, a written response shall be sent to the individual stating the reasons for denying the request.
 - c. If Protected Health Information is involved, regardless of whether a request is made to Covered California or to Contractor, Contractor shall respond to the request in a manner and time frame consistent with requirements specified in HIPAA (45 C.F.R. Section 164.522(b)(1)).
6. In responding to any requests from individuals, Contractor shall verify the identity of the person making the request to ensure that the person is the individual who is the subject of the PII or has authority to make requests concerning the PII before responding to the request.

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7. In the event any individual submits any of these requests directly from Contractor, Contractor shall within five (5) calendar days forward such request to Covered California.

E. General Safeguards and Security Controls

1. General Safeguards: Contractor shall establish and implement operational, technical, administrative and physical safeguards that are consistent with any applicable laws to ensure:
 - a. The confidentiality, integrity, and availability of Personally Identifiable Information created, collected, used, and/or disclosed by the Exchange;
 - b. Personally Identifiable Information is only used by or disclosed to those authorized to receive or view it;
 - c. Personally Identifiable Information is protected against any reasonably anticipated threats or hazards to the confidentiality, integrity, and availability of such information;
 - d. Personally Identifiable Information is protected against any reasonably anticipated uses or disclosures of such information that are not permitted or required by law; and
 - e. Personally Identifiable Information is securely destroyed or disposed of in an appropriate and reasonable manner and in accordance with retention schedules.
2. Security Controls:
 - a. Electronic PII
 - i. Encryption. Contractor shall encrypt all PII that is in motion or at rest, including but not limited to data on portable media devices, laptops and workstations, with FIPS 140-2 compliant encryption, including but not limited to any PII transmissions which occur via website access, file transfer or e-mail. Encryption protocols implemented by Contractor shall at all times be consistent with the

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National Institute for Standards and Technology (“NIST”) security controls concerning the protection of PII. The aforementioned encryption requirement shall at all times be applicable to PII transmissions both within and outside of Covered California’s secure internal network and may be fulfilled either through network-level end-to-end encryption or the encryption of any data files containing PII.

- ii. **Hardware.** Contractor shall ensure that any and all hardware, including but not limited to personal computers, laptops, jump-drives, smart phones or other devices upon which PII is stored, is secured, password-protected and only accessible by Contractor or Contractor’s agents, employees or sub-contractors in accordance with the terms of this Agreement. Contractor shall at all times remove and permanently delete any and all PII before any such hardware is transferred or sold to a third-party or is otherwise subject to any change in ownership or control.
- iii. **Log-In Credentials.** Contractor shall at all times ensure that each individual user of any Exchange computer system through which PII is accessed maintains his or her own unique user-id and password. Contractor shall strictly refrain from sharing individual log-in credentials and shall at all times assume responsibility for ensuring that the log-in credentials of any former employees, sub-contractors, agents or other representatives who are no longer subject to this Agreement are de-activated or otherwise changed to prevent unauthorized access by any such individuals within 24 hours.
- iv. **Server Security.** Servers must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- v. **Minimum Necessary.** Only the minimum necessary amount of PII required to perform necessary business functions may be copied, downloaded, or exported.
- vi. **Data Destruction.** When no longer needed, all PII must be cleared, purged, or destroyed consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization such that the PSCI cannot be retrieved.

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vii. Access Controls. The system providing access to PII must use role based access controls for all user authentications, enforcing the principle of least privilege.

b. Paper-Based PII:

- i. Supervision of Data. PII in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. PII in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- ii. Escorting Visitors. Visitors to areas where PII is contained shall be escorted and PII shall be kept out of sight while visitors are in the area.
- iii. Confidential Destruction. PII must be disposed of through confidential means, such as cross cut shredding and pulverizing in accordance with Covered California secure document destruction protocols.
- iv. Removal of Data. PII must not be removed from the premises of the Contractor except with express written permission of the Exchange.
- v. Faxing. Faxes containing PII shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- vi. Mailing. Mailings of PII shall be sealed and secured from damage or inappropriate viewing of PII to the extent possible. Mailings which include 500 or more individually identifiable records of PII in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of the Covered California to use another method is obtained.

F. Single Point of Contact.

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1. Contractor shall designate one (1) individual to serve as the single point of contact (“SPOC”) in matters pertaining to Contractor’s information security and privacy program and the implementation of the requirements set forth herein. The name and contact information of the aforementioned SPOC shall be submitted to the Covered California Information Security and Privacy Offices via e-mail at, respectively:

informationsecurity@covered.ca.gov; and
privacyofficer@covered.ca.gov

no later than sixty (60) days following the Effective Date of this Agreement.

2. The SPOC may, in his or her discretion, delegate project-related tasks to other individuals but shall at all times remain responsible for ensuring compliance with the security and privacy-related requirements specified within this Agreement and for communicating with the Covered California Information Security and Privacy Offices in security and privacy-related matters.
3. To ensure compliance with Exchange security and privacy standards specified herein, Contractor’s SPOC shall complete and submit a copy of the Covered California Annual Security and Privacy Attestation (“SPA”) attached and incorporated herein by reference as Attachment 1. Contractor’s Annual SPA shall be due no later than one (1) year following the Effective date of this Agreement, then annually thereafter.

G. Policies and Procedures:

1. Contractor shall implement and maintain written policies and procedures to ensure the privacy and security of PII stored, maintained, or accessed in compliance with this agreement and any applicable laws. Such policies shall address:
 - a. The implementation of consumer rights as required by this Exhibit;
 - b. Reasonable safeguards as required by this Exhibit;
 - c. Contractor’s processes for monitoring, periodically assessing, and updating security controls to ensure the continued effectiveness of those controls; and

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- d. The training of Contractor's employees, agents and subcontractors.
2. Upon request, Contractor shall provide Covered California with copies of any such policies and procedures adopted by Contractor to meet its obligations under this Agreement. Should Covered California determine any such policies and procedures to be insufficient, Contractor agrees to cooperate in good faith to incorporate appropriate revisions required by Covered California to bring any such policies and procedures into compliance.
3. Contractor agrees to apply appropriate sanctions against any of its workforce members who fail to comply with its privacy policies and procedures or the provisions specified herein.

H. Subcontractors

1. Contractor shall be bound by and be responsible for the acts and omissions of its subcontractors, agents or vendors in the exchange of data with the Exchange. Contractor shall take reasonable steps to ensure compliance with the terms of this Agreement by any such individuals.
2. Contractor agrees to enter into written contracts with its agents and contractors that obligate such agents or subcontractors to abide by the same privacy and security standards and obligations that Contractor has agreed to in this Agreement.
3. Upon reasonable request by Covered California, Contractor shall provide copies of any written agreements or contracts entered into between Contractor and its agents or subcontractors to fulfill the privacy and security-related obligations specified herein.

I. Privacy & Security Incidents; Breaches

1. Contractor shall immediately report to the Covered California Privacy Officer at PrivacyOfficer@covered.ca.gov any actual or suspected Privacy or Security Incidents involving PII created or received under this Agreement. Contractor's report ("Initial Report") shall be provided on that certain Privacy & Incident Intake Form, developed by the Covered California Privacy Office and attached and incorporated by reference herein as Attachment 2. Contractor's Initial Report shall, to the maximum extent possible, include the following information to the extent it is known at that time:

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- a. A brief description of what happened including the date of the incident and the date of the discovery of the incident;
 - b. The names or identification numbers of the individuals whose PII has been, or is reasonably believed to have been accessed, acquired, used or disclosed
 - c. A description of the types of PII that were involved in the incident, as applicable;
 - d. Information regarding any information system intrusion and any systems potentially compromised; and
 - e. Any other information necessary for Covered California to conduct an investigation and include in notifications to the individual(s) or relevant regulatory authorities under applicable privacy and security requirements.
2. Following the submission of its Initial Report, Contractor shall immediately commence an investigation in accordance with applicable law to:
 - a. Determine the scope of the incident;
 - b. Mitigate harm that may result from the incident; and
 - c. Restore the security of the system to prevent any further harm or incidents.
 3. Contractor shall cooperate with Covered California in investigating the actual or suspected incident and in meeting Covered California's obligations, if any, under applicable laws.
 4. Unless an extension is granted by Covered California, Contractor will prepare and submit a follow-up report ("Final Report") within 15 days of submitting its Initial Report. Contractor's Final Report shall be submitted to the Covered California Privacy Office on the same Privacy & Security Incident Intake Form used for the submission of Covered California's Initial Report
 5. Within its Final Report, Contractor shall describe the results of its investigation, as well as any facts uncovered through the same. Contractor shall make any and all reasonable efforts to obtain the information requested

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- within the Privacy & Security Incident Intake Form and shall provide an explanation if any information requested cannot be obtained.
6. Contractor's Final Report shall likewise include a corrective action plan which describes the steps to be taken to prevent any future reoccurrence of the incident.
 7. Contractor shall cooperate with Covered California in developing content for any public statements and shall not give any public statements regarding any Privacy or Security Incident involving Covered California enrollees without the express written permission of Covered California.
 8. If the Privacy Incident is determined to have resulted in a Breach attributable to Contractor or its agents or subcontractors, Contractor shall:
 - a. Be fully responsible for providing breach notifications to consumers as required under applicable laws;
 - b. Pay any costs associated with any such Breach notifications as well as any costs or damages associated with the incident; and
 - c. Should Covered California in its sole discretion determine that credit monitoring is an appropriate remedy, arrange for and bear the reasonable, out-of-pocket cost of providing to each such affected individual one (1) year of credit monitoring services from a nationally recognized supplier of such services.
 9. If Contractor determines that a Privacy Incident has not resulted in a Breach, it shall document its assessment and provide such documentation to Covered California within one week of completing its final report. Notwithstanding the foregoing, Covered California reserves the right to reject Contractor's assessment and direct Contractor to treat the incident as a Breach.

J. Risk Classification & Assessment.

1. Covered California may, in its discretion, assign a tier-based risk classification to the disclosure of PII to Contractor under this Agreement.
2. Determinations as to Contractor's risk-classification tier shall be made by Covered CA in its sole discretion and Contractor shall be notified of Contractor's risk-classification following the execution of this Agreement.

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Contractor's risk-classification tier shall be provided to the SPOC appointed by Contractor within Para. F above.

3. Based on the applicable risk-classification, Contractor acknowledges and agrees that Covered California may impose additional privacy and information security-related obligations, which may include but need not be limited to an annual attestations or annual security assessments.
4. Contractor shall at all times cooperate in good faith with Covered California in the provision of any information needed by Covered California to ascertain Contractor's risk classification or the above-referenced security-related documentation.

K. Right to Inspect

Covered California may inspect the facilities, systems, books, and records of Contractor to monitor compliance with this Exhibit at any time. Contractor shall promptly remedy any violation reported to it by Covered California and shall certify the same to the Covered California Privacy Officer in writing. The fact that Covered California inspects, fails to inspect, fails to detect violations of this Exhibit or detects but fails to notify Contractor of the violation or require remediation is not a waiver of Covered California's rights under this Agreement and this Exhibit.

L. Indemnification

Contractor shall indemnify, hold harmless, and defend Covered California from and against any and all costs (including mailing, labor, administrative costs, vendor charges, and any other costs Covered California determines to be reasonable), losses, penalties, fines, and liabilities arising from or due to Contractor's failure to comply with the requirements of this Exhibit, including a breach or other non-permitted use or disclosure of PII by Contractor or its subcontractors or agents, including without limitation. Such indemnification shall be conditioned upon Covered California giving notice of any claims to Contractor after discovery thereof. If Contractor should publish or disclose PII to others, Covered California shall be entitled to injunctive relief or any other remedies to which it is entitled under law or equity, without posting a bond.

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M. Termination of Agreement

1. If Contractor breaches its obligations under this Exhibit as determined by Covered California, Covered California may, at its option:
 - a. Require Contractor to submit to a plan of monitoring and reporting, as Covered California may deem necessary to maintain compliance with this Agreement;
 - b. Provide Contractor with an opportunity to cure the breach; or
 - c. After giving Contractor an opportunity to cure the breach, or upon breach of a material term of this Exhibit, terminate this Agreement for cause.
 - d. A failure of Covered California to exercise any of these options shall not constitute a waiver of its rights under this Agreement.

2. Upon completion of this Agreement, or upon termination of this Agreement, at Covered California's direction Contractor shall either return all PII to Covered California, or shall destroy all PII in a manner consistent with applicable State and Federal laws, regulations, and agency guidance on the destruction of PII. If return or destruction of PII is not feasible, Contractor shall explain in writing to the Covered California's Chief Privacy Officer why return or destruction is not feasible. The obligations of Contractor under this Agreement to protect PII and to limit its use or disclosure shall continue and shall survive until all PII is either returned to Covered California or destroyed.

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EXHIBIT E
CCSB Agency Agreement
MARKETING & BRANDING GUIDELINES

MARKETING & BRANDING GUIDELINES

A. Trademark and Brand Usage Guidelines for Communications and Websites:

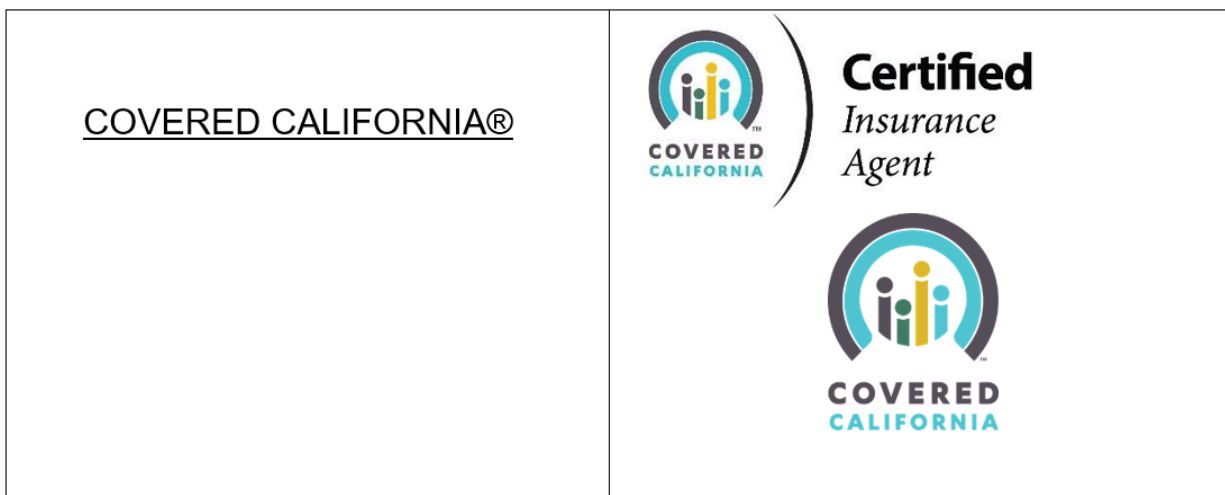
1. Covered California's brand and trademarks, as described below ("Covered California Marks") are valuable intellectual property and important assets of the organization. The Covered California Logo, and any other logo used to identify any product or service offered by Covered California, may not be used in any manner inconsistent with this Exhibit E and the Brand Style Guide for Certified Insurance Agents available at: www.CoveredCA.com or <http://hbex.coveredca.com/toolkit> and herein incorporated by reference without express written permission from Covered California.
2. The improper or unauthorized use of Covered California Marks or other intellectual property is a violation of Covered California's rights and is strictly prohibited. Unauthorized use or misrepresentation of Covered California, the California Health Benefit Exchange is also a violation of state law Section 100510 to the Government Code, Section 1360.5 of the Health and Safety Code, and Section 790.03 of the Insurance Code.
3. Section 100510 to the Government Code, Section 1360.5 of the Health and Safety Code, and Section 790.03 of the Insurance Code prohibits the holding oneself out as representing, constituting, or otherwise providing services on behalf of the California Health Benefit Exchange established pursuant to Section 100500 et. seq of the Government Code without a valid agreement with the California Health Benefit Exchange to engage in those activities. Any unauthorized use of the Covered California brand is outside of the scope of this agreement.
4. Covered California reserves the right to revise the Brand Style Guide for Certified Insurance Agents, and Agent will be bound to comply with the material contained in the updated guide immediately upon receipt or other notification of the new guide.

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B. Non-Exclusive License:

1. Subject to the terms of this Exhibit and Brand Style Guide, Covered California conveys and Contractor accepts a non-exclusive, royalty-free license in the following Covered California Marks for the purposes specified within the Scope of Work (Exhibit A) of this Agreement.



2. Contractor shall be entitled to use the Covered California Marks in conjunction with the marketing materials and websites referenced herein subject to the terms and conditions set forth within this Exhibit and Brand Style Guide for the sole purpose of promoting the services performed by Contractor under Exhibit A.
3. Covered California retains final discretion to determine if an Agent's use of the Covered California marks complies with the terms and conditions set forth in this Exhibit and the Brand Style Guide.
4. Contractor accepts the above-referenced license "As-Is" without any representations or warranties, including but not limited to warranties of ownership or fitness for a particular purpose.

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5. Contractor expressly acknowledges and agrees that nothing in this Exhibit is intended to nor shall result in the transfer of any ownership interests and that Covered California shall at all times remain the sole and exclusive owner of the Covered California Marks.
6. In addition to the terms and conditions set forth herein, Contractor understands and agrees that Covered California shall at all times be entitled to impose additional restrictions upon the use of the Covered California Marks for the sole purpose of protecting the goodwill and overall reputation of Covered California and Covered California Marks, in compliance with all applicable law. Covered California retains the authority to preclude Agency from using its Marks for failure to comply with this Agreement.
7. Contractor shall be entitled to sub-license the use of the Covered California Marks; provided, however, that Contractor shall ensure that any and all sub-contractors shall execute and strictly abide by the terms of conditions specified within this Exhibit.

C. Non-Affiliation & Non-Endorsement:

1. Neither the above-referenced license nor Contractor's use of the Covered California Marks shall at any time be interpreted or construed as creating a partnership, co-ventureship or other agency relationship between Contractor and Covered California. Other than the use of the Covered California Marks in accordance with the license conveyed in this Exhibit, Contractor shall strictly refrain from any representations reasonably calculated to suggest or imply the existence of any such relationship.
2. The above-referenced license shall likewise at no time be interpreted or construed as an express or implied endorsement of any product, service or activity provided by or engaged in by Contractor involving the Covered California Marks.
3. Contractor shall at all times defend, indemnify and hold Covered California harmless from and against any and all liability or claims arising directly or indirectly from any misrepresentation by Contractor of:
 - a. An agency relationship between Covered California and Contractor; and

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- b. An endorsement by Covered California of any product, service or activity provided or engaged in by Contractor for which the Covered California Marks are at any time used.

D. Term & Termination:

Unless otherwise terminated earlier, the term of the license conveyed within this Exhibit shall commence on the effective date of the original Agreement and shall continue for the term of this Agreement. Contractor shall immediately discontinue the use of the Covered California Marks upon the termination of the Agreement for any reason.

E. Disclaimer:

1. All marketing materials, external communications, or websites which use Covered California Marks or refer to Covered California in any way must be accompanied by the following disclaimer in a conspicuous font:

“Covered California”, “California Health Benefit Exchange”, and the Covered California Logo are registered trademarks or service marks of Covered California, in the United States.

- a. Each web site that uses Covered California Marks must also include the following disclosure statement:

This web site is owned and maintained by [Agent Name], which is solely responsible for its content. This site is not maintained by or affiliated with Covered California, and Covered California bears no responsibility for its content. The e-mail addresses and telephone numbers that appear throughout this site belong to [Agent Name] and cannot be used to contact Covered California.

- b. For purposes of this section, “conspicuous” means displayed apart from other print in no less than 12-point boldface font type in capital letters that is at least 2-point boldface font type sizes larger than the next largest print used, and in contrasting type, layout, font, or color in a manner that clearly calls attention to the language.

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2. For Agents who use an online website to directly assist Consumers with enrolling into Covered California, the following disclaimer must appear in a pop-up window before the Consumer inputs his or her Personally Identifiable Information into any application documents:

“You are about to start an application to apply for health insurance through (Agent Name), a Certified Insurance Agent for Covered California. By clicking “Okay,” you acknowledge that (Agent Name) will have access to the personally identifiable information that you must provide on the following application to complete the eligibility and enrollment process. If you do not authorize (Agent Name) to have access the personally identifiable information that you must provide on the following application, click “Cancel” and do not proceed with the application.”

The pop-up window must display this text before the Consumer inputs his or her information into any application documents. It must prevent the Consumer from inputting his or her information unless the Consumer clicks “Okay” to continue. If the Consumer clicks “Cancel,” then the Consumer may not proceed with the application. The Consumer must click “okay” in order to close the pop-up window and commence the application.

3. For Agents who use an online website to assist Consumers with enrolling Consumers into Covered California, the following disclaimer must appear in a pop-up window before the Consumer submits his or her application to the Agent’s website and/or CalHEERS:

“By clicking “Okay”, you acknowledge that (Agent Name) is your insurance agent of record and authorize (Agent Name) to act in that capacity. (Agent Name) will have access to the personally identifiable information that you provide in order to complete the eligibility and enrollment process. For further information, please contact (Agent Name) directly. Click “Cancel” if you do not authorize (Agent Name) to be your agent of record and have access to personally identifying information that you provide to complete the eligibility and enrollment process. Otherwise, please click “okay” to continue.”

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The pop-up window must display this text before the Consumer submits his or her application documents. It must prevent the Consumer from submitting his or her application unless the Consumer clicks "Okay" to continue. If the Consumer clicks "Cancel," then the Consumer may not submit the application.

4. Covered California retains final discretion to determine whether Agent is using the disclaimers in Subsection E of Exhibit E in a manner that complies with the terms and conditions of this Agreement and the Brand Style Guide.

F. Improper Uses of Covered California's Marks:

1. Covered California's Marks may not be presented or used:
 - a. In a manner that suggests that editorial content has been authored by, or represents the views or opinions of, Covered California or its representatives, personnel, or affiliates;
 - b. In a manner that is misleading, defamatory, obscene, infringing or otherwise objectionable;
 - c. In connection with any material that infringes the trademark, copyright, or any other rights of any third party;
 - d. As part of a name of a product or service of a company or organization other than Covered California;
 - e. In a manner that infringes, derogates, dilutes, or impairs the rights of Covered California in such marks; or
 - f. In a manner that violates the Brand and Style Guide.
2. Covered California retains final discretion to determine whether the Agency's use of Covered California's marks violates the terms of this Agreement and/or the Brand Style Guide.
3. If Agency's website repeatedly violates the terms of this Exhibit and the Brand Style Guide, Covered California retains the discretion to require Agency to suspend its website until it remedies the violations and obtains Covered

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California's written approval confirming compliance. Agency's failure to comply with this paragraph authorizes Covered California to terminate this Agreement for cause under Section G of Exhibit C.

G. Improper Uses of California Health Benefit Exchange or Covered California in Agent's Internet Domain Name:

Agency may not use the names California Health Benefit Exchange, Exchange, Covered California, and Covered CA or use of CCSB or Covered California for Small Business as a noun (or any derivations thereof) in the Agency's Internet domain name unless it obtains Covered California's express written permission. Agency may not use California Health Benefit Exchange, Exchange, Covered California, Covered CA, CCSB or Covered California for Small Business in a manner that creates a likelihood of confusion that the website is sponsored by or affiliated with Covered California.

H. Clearly Identifying Exchange Products:

In every medium of communication directed at Consumers, Agency must clearly identify those products available through Covered California and all other products offered outside of Covered California.

I. Marketing Materials – Definition:

The term "marketing materials" extends beyond the public's general concept of advertising materials and includes any materials developed or distributed by Agency and are targeted at prospective or existing consumers. Marketing materials include, but are not limited to, anything with Covered California Marks; printed collateral material; print advertising; social and digital media material; and television and radio ads.

J. Marketing Materials Subject to the Agent Marketing Guidelines:

All marketing materials that mention, promote participation in, or reference Covered California are subject to this Exhibit E and the Brand Style Guide for Certified Insurance Agents. The requirements in Exhibit E and the Brand Style Guide do not apply to any marketing materials that do not promote, discuss, or

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EXHIBIT E
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reference Covered California in any way.

K. General Marketing Material and Direct Mail Communications:

Upon Covered California's request, Agency shall provide Covered California with at least one (1) copy (unless otherwise specified by Covered California) of any marketing material Agency intends to use, mail, or has mailed, to its clients or prospective clients, including, but not limited to, brochures, leaflets, postcards, presentations, advertisements in phone books, newsletters, health education materials, and special announcements. Covered California shall have the right to request changes to or prohibit the distribution or use of any marketing material that does not comply with the requirements of this Exhibit or the Brand Style Guide.

L. Submission Requirements & Process for Advertising Material:

1. Any question regarding the compliance with this Exhibit E and the Brand Style Guide must be submitted to Covered California at: agents@covered.ca.gov. Agency shall allow at least ten (10) business days from the date of the request for Covered California to review any materials submitted.
 - a. When submitting required materials for approval, indicate the following in the subject line: Advertising Approval Request – Agency name and material type.
 - b. When submitting revised material, please clearly identify the revised material in the body of the email and include its original submission date.
2. Do not bundle multiple materials in the same submission email. Send a separate email for each material. The only exception is translations. Translations may be sent in one email along with the corresponding English version if available.

M. Confidential Treatment of Agency:

To the extent that material sent from Certified Insurance Agent is not already in the public domain, Covered California shall treat such marketing materials as confidential information and exempt from public disclosure if such material is deemed to be or qualifies for treatment as confidential information under the Public

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Records Act, Government Code Sections 6250, et seq. and other applicable Federal and State laws, rules, and regulations.

N. Distribution of Marketing Materials Developed by Covered California:

Agency may distribute and reproduce marketing materials developed and made available by Covered California. Agency shall be responsible for any printing costs for such material and for all costs related to the distribution of those materials, including, but not limited to, mailing and postage costs.

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EXHIBIT F
Agency Agreement
SCHEDULE OF COMMISSIONS

SCHEDULE OF COMMISSIONS**A. Individual Market:**

QHP Issuers are solely responsible for compensating Agencies and Agents for plans sold in the Individual Exchange. Compensation rates are set by QHP Issuers and may vary depending on the terms and conditions established by agreement with Agent or Agency.

B. Employer Groups with 1 to 50 Enrolled Employees:

The following is the Schedule of Commissions for CCSB employer groups that have 1 to 50 Enrolled Employees:

Effective date 1/1/2014 – 12/1/2017

1 st Year	6.5%
2 nd Year	6.2%
3 rd Year	5.9%
4 th Year	5.6%
5 th Year	5.3%
6+ Years	5.0%

Effective date 1/1/2018 – Later

1 st Year and after	5.0%
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Should an employer group exceed 50 Enrolled Employees, the above Schedule of Commissions shall not change to the schedule identified in Section C of Exhibit F below. The above Schedule of Commissions shall apply so long as the Employer Group fulfills the CCSB eligibility requirements as identified in 10 CCR § 6522. The sole factor to determine the applicable Schedule of Commissions is the number of Enrolled Employees in the employer group at the time the employer group enrolls in coverage through CCSB.

C. Employer Groups with 51 to 100 Enrolled Employees:

For employer groups with 51 to 100 Enrolled Employees, the Schedule of Commissions shall be 5.0%. Should an employer group fall below 51 Enrolled Employees, the commission rate shall remain at 5.0% and will not change to the Schedule of Commissions identified in Section B of Exhibit F above. This Schedule of Commission shall apply so long as the Employer Group fulfills the CCSB

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EXHIBIT F**Agency Agreement****SCHEDULE OF COMMISSIONS**

eligibility requirements as identified in 10 CCR § 6522. The sole factor to determine the applicable Schedule of Commissions is the number of Enrolled Employees in the employer group at the time the employer group first receives coverage through CCSB.

D. Modification to Schedule of Commissions:

Unless all parties agree to sooner effective date, Covered California may modify or replace its commission schedule upon forty-five (45) calendar days prior notice to Agency. Such modified or replacement schedule shall apply to all other QHPs sold by Agent effective on or after the effective date of such modification or replacement. Covered California will provide Agency with an updated "Schedule of Commissions" whenever changes occur by posting such changes to:

<https://www.coveredca.com/agents/>. No formal amendment is required for changes or modifications to the "Schedule of Commissions". By executing this Agreement, the Contractor understands and accepts that Covered California may modify or replace its commissions schedule upon forty-five (45) calendar days prior notice to the Agency and that any modified commissions schedule will be posted to: <https://www.coveredca.com/agents/>

E. Incentive Program:

1. Pursuant to Section A of Exhibit B, Covered California incorporates a performance incentive or "bonus" program into this Schedule of Commissions that provides additional compensation. The program applies to new Covered California for Small Business (CCSB) groups with initial effective dates of 7/1/24, 8/1/24, 9/1/24, 10/1/24, 11/1/24, 12/1/24, and 1/1/25. Agencies and Agents must strictly comply with the program rules to qualify for incentive payments. Covered California shall not be liable for any payments after cancellation of the program. Covered California retains sole discretion to determine compliance with the program rules.

As set forth below, Covered California will pay incentive payments to Agency in addition to standard commission payments as set forth in Section A of Exhibit B in this Agreement. Covered California shall report the incentive payments on Forms 1099 and 5500, as well as any other reporting as required by law.

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The Incentive Program as set forth in this section is subject to cancellation or modification at any time by the Exchange without prior notice to Agency. Covered California will make a good faith effort to notify Agency of any modifications to the Incentive Program. Covered California shall not be liable for payment of any incentive payments after cancellation of the program.

Agency Incentive Structure Table

Group Subscriber Size	Tier 1 Agency earns bonus after submission of 3rd group	Tier 2 Agency earns increased bonus after submission of 6th group
51-100	\$8,000	\$12,000
26-50	\$4,000	\$6,000
11-25	\$2,000	\$3,000
4-10	\$1,000	\$1,500

2. The terms and conditions for the Incentive Program are as follows:

Initial Payout Incentive:

- a. Applies to new Covered California for Small Business (CCSB) groups with initial effective dates of 7/1/24, 8/1/24, 9/1/24, 10/1/24, 11/1/24, 12/1/24, and 1/1/25.
- b. Agency must submit minimum of three groups to qualify for bonus program.
 - After qualifying with third group submission, group submissions 1-5 will be paid based on applicable subscriber size category (see *Agency Incentive Structure Table, Tier 1*)

EXHIBIT F**Agency Agreement****SCHEDULE OF COMMISSIONS**

- Agencies who submitted 6 or more groups during the duration of incentive period shall receive the incentive payment applicable to group subscriber size listed in Tier 2 of the Agency Incentive Structure. If an Agency had previously received an incentive payment for groups under Tier 1 of the Agency Incentive Structure Table, it will receive a retroactive incentive payment of the difference between the Tier 1 and Tier 2 payment amounts for those groups. Agencies will be paid no more than the amount listed in Tier 2 for any group enrolled during the incentive period.
- c. To be eligible, the Employer Group must remain in force and pay premiums in full for ninety (90) days from their effective date of coverage.
- d. Subscriber count (i.e., enrolled employee count) is determined at time of initial enrollment as counted in CCSB systems and is based on medical subscribers only. No retroactive additions will be eligible for incentive payment. Dependents of enrolled employees are not counted.
- e. Groups must satisfy standard CCSB binder payment requirements for enrolled employees to count towards incentive program payments.
- f. No pro-ration of target values will take place.
- g. Business written through partnering General Agencies qualifies.
- h. Covered California intends to issue incentive payments forty-five (45) days following the ninety (90) day requirement outlined in Section E(2)(c) of Exhibit F. Covered California may modify its payment schedule at any time.
- i. Agency may participate in this incentive program so long as it maintains active certification required by Section C (2) of Exhibit A and otherwise complies with all provisions in this Agreement.
- j. Bonus payments are in addition to regular sales commissions. Bonus payments will be reported on Forms 1099 and 5500 and as otherwise required by law, including reporting required by California AB 2589 (January 2009).

Covered California

EXHIBIT F

Agency Agreement

SCHEDULE OF COMMISSIONS

- k. If applicable, Agency shall disclose commissions and other payments as required by law.

- l. Covered California may cancel or modify this incentive program at any time without prior notice to the Agencies and Agents participating in the program. Covered California shall not be liable for payment of any incentive payments after cancellation or termination of the program.