Premium Collection Agreement

_____"Organization" wishes **PIOPAC Fidelity** to serve as its Premium Collection Administrator ("Administrator"). Administrator's duties under this agreement include handling of all premium billing matters and collection matters on the behalf of Organization in connection with certain insurance policies/certificates issued to the employees or members of Organization by _____("Insurer(s)"). Organization wishes to have Administrator handle the premium billings received and the premiums collected in connection with the policies/certificates issued by "Insurer" to Organization's employees or members under "Organization's" group billing control number(s).

1. **Therefore, Organization and Administrator "Parties" agree as follows:**

   A. Administrator will stand in the place of Organization in all dealings with the Insurer regarding premium billing and collection.

   B. Organization designates Administrator as Organization's agent for all matters relating to the receipt of premium billings from and payment of premiums to Insurer in connection with the insurance policies/certificates issued by Insurer to Organization and its employees or members. Organization authorizes Insurer to recognize Administrator as Organization's agent and to send all premium billings to Administrator on a schedule agreed to by the Parties and Insurer.

   C. Administrator shall not alter the provisions of the insurance policies/certificates issued by Insurer to Organization and its employees or members, nor shall Administrator bind Insurer in any way without the prior written consent of Insurer.

   D. Administrator may not assign its rights or delegate its duties under this agreement without the prior written consent of Organization and Insurer.

   E. The rights and duties of Organization and its individual policy/certificate holders shall not change or be affected by the terms of this Agreement. All policy/certificate provisions regarding premium payment, lapse and reinstatement shall remain the same regardless of the provisions of this Agreement.

   F. Insurer shall retain all rights to contact Organization directly at any time, and to contact insured employees or members at home at any time and at their workplace with the Organization's permission.

2. **Administrator shall have the following duties:**

   A. Administrator shall remit all premiums due to Insurer within ten [10] business days of due date of invoice.

   B. Administrator shall deliver any premium refunds, still in possession, or other payments to policy/certificate holders within ten [10] business days of receipt of same from Insurer.

   C. Administrator shall maintain adequate records of all transactions under this Agreement and it shall maintain any separate accounts required by state law. Administrator may not commingle premiums received under this Agreement with funds in its general account.

   D. Administrator shall provide various accounting and reporting, via electronic transmission, of files in a format mutually agreed upon by Insurer and Administrator, including but not limited to, premium collected, remitted and refunded and any other reports deemed necessary by Insurer to fulfill Insurer's premium facilitation needs and requirements.

   E. Organization or its representatives shall have the right, at its sole expense, upon advance written notice to the Administrator and during normal work hours, to audit or review the Administrator's records, procedures and files on insurance policies and attached riders and any other related financial records or other documents prepared hereunder, provided that such audit or review does not interfere with the normal operation of the Administrator. This service agreement and all records and files pertaining thereto shall be maintained during the term of this agreement and for ten years thereafter.

   F. The Administrator agrees to permit Organization or its agents or attorneys, at its sole expense, upon advance written notice to the Administrator and during normal working hours, to conduct an internal audit to determine whether the Administrator is in compliance with obligations, duties and responsibilities as set forth in this agreement.

   G. The Administrator will maintain a complete audit trail of financial and non-financial transactions resulting from this Agreement for a period of no less than five [5] years after payment has been rendered.

3. **This Agreement shall terminate upon the occurrence of the earliest of any of the following:**

   A. Mutual agreement of the Parties.

   B. Sixty [60] days written notice by any Party to the other Party.

   C. Administrator's mishandling of premium funds, embezzlement of funds or other violation of relevant statutes or regulations.

   D. Insurer ceases to insure any employees or members of Organization and advises Administrator to cease premium collection.

   E. The bankruptcy, liquidation or cessation of business of or by any of the Parties.

   F. Upon the termination of this Agreement, Administrator shall promptly provide Insurer with all information and support needed for Insurer to continue to process its business.

G. Organization and Administrator shall indemnify Insurer and hold it harmless from all claims and/or liability arising from or related to the negligence or error of either Organization or Administrator in carrying out their obligations and duties with respect to the premium billings and premium payments which are the subject of this Agreement.

H. No amendment or modification of this Agreement shall be effective unless it is in a writing signed by the Parties.

4. **Fees**

A. $5.00 per participant per month. The fees may vary depending on the case and payment type.

IN WITNESS WHEREOF, this agreement has been executed by the parties as of the date first above written.

_____   _____
SIGNATURE OF OFFICER OF ADMINISTRATOR   PRINTED NAME AND TITLE OF OFFICER

_____
NAME AND ADDRESS OF ADMINISTRATOR

_____   _____
SIGNATURE OF OFFICER OF ORGANIZATION   PRINTED NAME AND TITLE OF OFFICER

_____
NAME AND ADDRESS OF ORGANIZATION