

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (this "Agreement") is entered into this 27 day of November, 2012 (the "Effective Date") between the Connecticut Health Insurance Exchange, a quasi-public agency created by the State of Connecticut (the "State") pursuant to Public Act 11-53, with an office at 450 Capitol Avenue, Hartford, Connecticut 06106 (the "Exchange") and KardasLarson, LLC, a limited liability corporation, with an office at 9 Sweetbriar Lane, Avon, CT 06001 (the "Contractor").

WHEREAS, the Connecticut Health Insurance Exchange seeks a review, analysis, and recommendations for improvement on its current offering of benefits to its employees in order to attain a market competitive status in attracting and retaining critical employees;

WHEREAS, KardasLarson has extensive experience in working with health care related organizations and municipal governments, and has also recently completed a comprehensive benefits benchmarking survey for another quasi-public organization in Connecticut and will draw on this experience and information, together with benefit best practices from the private sector, to conduct the required review within a relatively short time-frame so that the Health Insurance Exchange may consider implementing modifications to its benefits policies and programs in calendar year 2013;

WHEREAS, the Exchange wishes to engage the Contractor to perform the services described below;

NOW, THEREFORE, the parties agree as follows:

1. Scope of Services. The Exchange desires the Contractor to perform, and the Contractor agrees to perform, the services specified in Exhibit A (the "Services").
2. Administration.
 - a) The individuals in charge of administering this Agreement on behalf of the Exchange and the Contractor, respectively, are set forth on Exhibit A.
 - b) If the Exchange requests that a staff member of the Contractor no longer provide services to the Exchange under this Agreement, the Contractor shall remove such staff member from the assignment within seven (7) days. Upon the request of the Exchange, the Contractor shall augment the remaining staff with staff acceptable to the Exchange.
3. Time of Performance and Term.
 - a) The Contractor shall perform the Services at such times and in such sequence as may be reasonably requested by the Exchange. The Contractor shall comply with any timeline or deadlines set forth in Exhibit A.
 - b) Except as otherwise set forth in Exhibit A, this Agreement will run from its Effective Date until the Services are completed to the reasonable satisfaction of the Exchange, unless sooner terminated in accordance with the provisions herein.

4. Termination.

- a) Notwithstanding any other provision of this Agreement, the Exchange may terminate this Agreement for any reason on 10-day written notice. The Exchange shall notify the Contractor in writing, specifying the effective date of the termination and the extent to which the Contractor must complete performance of the Services prior to such date. All outstanding payments due to KardasLarson for work completed on the project will be due and payable on the date of termination. Hours will be billed at \$125.00 per hour for work completed before termination but in no event shall exceed the guaranteed maximum quote of \$1,000. If the project is cancelled after initiation, the deposit is non-refundable but may be applied towards future services.
- b) Upon receipt of written notification of termination from the Exchange, the Contractor shall immediately cease to perform the Services (unless otherwise directed by the Exchange in the notice). Upon written request from the Exchange, the Contractor shall assemble and deliver to the Exchange all Records (as defined in Section 8(a) below) in its possession or custody; with the exception of one copy being retained to keep record of obligations, as soon as possible and no later than thirty (30th) days following the receipt of a written termination notice, together with a final invoice for Services performed to date.
- c) The Exchange shall, within thirty (30) days of final billing, pay the Contractor for Services completed to the reasonable satisfaction of the Exchange and any out-of-pocket costs to which the Contractor is entitled pursuant to Exhibit A. Notwithstanding any other term of this Agreement, the Contractor shall not be entitled to receive, and the Exchange shall not be obligated to tender to the Contractor, any payments for anticipated or lost profits.

5. Payment.

- a) The Exchange agrees to compensate the Contractor as set forth in Exhibit A.
- b) Unless otherwise agreed to in Exhibit A, compensation will be paid only after the submission of itemized documentation, in a form acceptable to the Exchange. Unless otherwise specified in Exhibit A, the Contractor shall bill the Exchange on a monthly basis. The Exchange may, prior to authorizing payment under this Section, require the Contractor to submit such additional accounting and information as it deems to be necessary or appropriate.
- c) The Exchange agrees to reimburse the Contractor for those out-of-pocket disbursements and expenses (at cost), as are detailed in Exhibit A, or as otherwise approved in writing in advance by the Exchange. The Exchange shall not reimburse the Contractor for any overhead-related expenses, including, but not limited to, duplicating, secretarial, facsimile (other than long-distance telephone line charges), clerical staff, proofreading staff, meals and in-state transportation costs. The Contractor shall be reimbursed for reasonable expenses for transportation, parking and reasonable lodging and meals associated with interstate travel (specifically excluding first or business class airfare), as approved in writing in advance by the Exchange. Reimbursable interstate travel shall not include travel to meet with staff of the Exchange, and all such meetings shall be conducted in Hartford, Connecticut, unless otherwise specified by the Exchange.

- d) In addition to all other remedies that the Exchange may have, the Exchange may set off any costs or expenses that the Exchange incurs resulting from the Contractor's unexcused non-performance under this Agreement against any amounts that are due or may become due from the Exchange to the Contractor under this Agreement or any other agreement that the Contractor has with the Exchange. This right of setoff shall not be deemed to be the Exchange's exclusive remedy for the Contractor's breach of this Agreement, all of which shall survive any setoffs.

6. Cross Default.

6.1 If the Contractor breaches, defaults or in any way fails to perform satisfactorily under this Agreement, then the Exchange may treat any such event as a breach, default or failure to perform under any other agreements or arrangements ("Other Agreements") that the Contractor has with the Exchange. Accordingly, the Exchange may then exercise any and all of its rights or remedies provided for in this Agreement or Other Agreements, either selectively or collectively and without such election being deemed to prejudice any other rights or remedies of the Exchange, as if the Contractor had breached the Other Agreements.

6.2 If the Contractor breaches, defaults or in any way fails to perform satisfactorily under any Other Agreements with the Exchange, then the Exchange may, without any action whatsoever required of the Exchange, treat any such event as a breach, default or failure to perform under this Agreement. Accordingly, the Exchange may then exercise any and all of its rights or remedies provided for in the Other Agreements or this Agreement, either selectively or collectively and without such election being deemed to prejudice any other rights or remedies of the Exchange, as if the Contractor had breached this Agreement.

7. Representations and Warranties. The Contractor represents and warrants to the Exchange for itself and for the Contractor Agents (as defined in Section 10(d) below), as applicable, that:

- a) The Contractor and Contractor Agents possess the experience, expertise and qualifications necessary to perform the Services;
- b) The Contractor and Contractor Agents duly and validly exist under the laws of their states of organization and are authorized to conduct business in the State of Connecticut in the manner contemplated by this Agreement. The Contractor has taken all necessary action to authorize the execution, delivery and performance of the proposal and this Agreement and has the power and authority to execute, deliver and perform its obligations under this Agreement;
- c) The execution, delivery and performance of this Agreement will not violate, be in conflict with, result in a breach of or constitute (with or without due notice and/or lapse of time) a default under any of the following, as applicable: (1) any provision of law; (2) any order of any court or the state; or (3) any agreement, document or other instrument to which the Contractor is a party or by which it may be bound;

- d) Neither the Contractor nor any Contractor Agent is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transactions with any governmental entity;
- e) Neither the Contractor nor any Contractor Agent has, in any of their current or former jobs or assignments, been convicted of, or had a civil judgment rendered against them, for commission of fraud or a criminal offense in connection with obtaining or performing a transaction or contract with any governmental entity;
- f) Neither the Contractor nor any Contractor Agent is presently indicted or, to the best of the Contractor's knowledge, under investigation for, or otherwise criminally or civilly charged by, any governmental entity with commission of any of the offenses listed above; and
- g) None of Contractor's prior contracts with any governmental entity has been terminated by the governmental entity for cause.

8. Records/Intellectual Property.

- a) The term "Records" means all working papers and such other information and materials as may have been accumulated or generated by the Contractor or Contractor Agents in performing under this Agreement, including, but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form, including by magnetic or electronic means.
- b) The parties, upon written request from the other party, shall provide to the other within a reasonable time, all original Records, or, in the sole discretion of the requesting party, copies thereof. The parties shall otherwise maintain all original Records, or copies thereof, for a period of five (5) years after the termination of this Agreement. Unless the parties agree otherwise in writing, all intellectual property rights existing prior to the Effective Date, will belong to the party that owned such rights prior to. Neither party will gain by virtue of this Agreement any rights of ownership of copyrights, patents, trade secrets, trademarks or any other intellectual property rights owned by the other.
- c) The Exchange shall own all work product, and the copyright therein, resulting from the Services rendered by Contractor under this Agreement. The Contractor represents that the Services and any products of the Services (except the accurate reproduction of information or materials supplied by the Exchange) shall not infringe any third-party copyright, patent, trademark, trade secret or other proprietary right, including the rights of publicity and privacy.

9. Insurance.

9.1 Before commencing performance of the Services, the Contractor shall obtain and maintain at its own cost and expense for the duration of this Agreement, the following insurance:

- (a) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the Contractor does not own an automobile, but one is used in the performance of the Services, then only hired and

non-owned coverage is required. The Contractor has represented that the Contractor does not own an automobiles in its business.

- (b) **Workers' Compensation and Employers Liability:** The Contractor has represented and warranted to the Exchange that Contractor has no employees. All professionals working with KardasLarson are independent contractors.
- (c) **Professional Liability:** If the Contractor performs a service for which professional liability insurance or errors and omissions coverage is available, the Contractor shall secure and maintain such coverage in a form acceptable to the Exchange in the minimum amount of One Million Dollars (\$1,000,000).

9.2 No later than thirty (30) days after the effective date of this Agreement, the Contractor shall furnish to the Exchange on a form or forms acceptable to the Exchange, a Certificate(s) of Insurance, including amendment(s), fully executed by an insurance company or companies satisfactory to the Exchange for the insurance policies required above.

10. Indemnification.

- a) The Contractor shall indemnify, defend and hold harmless the Exchange, the State and their respective officers, representatives, agents, employees, successors and assigns from and against any and all (a) Claims (as defined below) arising, directly or indirectly, in connection with this Agreement, including any acts of commission and/or any omissions (collectively the "Acts"), of the Contractor or Contractor Agents (as defined below); and (b) liabilities, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and other professionals' fees, arising, directly or indirectly, in connection with the Agreement, up to the total compensation received by KardasLarson under this Agreement. The term "Claims" means all actions, suits, claims, demands, investigations and proceedings of any kind, pending or threatened, whether mature, unmaturing, contingent, known or unknown, at law or in equity, in any form. In addition, the Client acknowledges that KardasLarson, LLC will make every reasonable effort to provide accurate and thorough human resources services to Client and that the provision of such services does not constitute the provision of legal advice.
- b) The term "Contractor Agents" means the Contractor's members, directors, officers, shareholders, partners, managers, representatives, agents, servants, consultants, employees, or any other person or entity whom the Contractor retains to perform under this Agreement in any capacity.

11. Independent Contractor. The Contractor is an independent contractor of the Exchange. This Agreement shall not create the relationship of employer and employee, a partnership or a joint venture between the Contractor and the Exchange. The Contractor shall be solely liable for all wages, benefits and tax withholding for its employees and shall comply with all applicable laws relating to its employees. The parties are not an agent to the other, and shall have no authority to bind the Exchange.

12. Compliance with Laws. The Contractor and Contractor Agents will comply with all applicable state and federal laws and municipal ordinances in satisfying obligations under this Agreement, including, but not limited to, Connecticut General Statutes Title 1, Chapter 10, concerning the State's Codes of Ethics.

13. Nondiscrimination, Affirmative Action, State Ethics and Executive Orders. The Contractor shall comply with all provisions set forth on Exhibit B.

14. Confidentiality.

14.1 In the event and to the extent that the Contractor has access to information which is confidential or of a proprietary nature to the Exchange, including, but not limited to, Records, enrollment lists and personal data, technical, marketing and product information and any other proprietary and trade secret information, whether oral, graphic, written, electronic, or in machine readable form ("Confidential Information"), the Contractor agrees to keep all Confidential Information strictly confidential and not to use or disclose to others the Confidential Information without the Exchange's prior written consent. If the Contractor is required to disclose Confidential Information by law or order of a court, administrative agency, or other governmental body, then it shall provide the Exchange with prompt notice of the order or requirement, so that the Exchange may seek a protective order or otherwise prevent or restrict such disclosure.

14.2 The Contractor acknowledges that the Exchange is subject to the Connecticut Freedom of Information Act ("FOIA"). As a result, no information provided to the Exchange by the Contractor or any Contractor Agent, regardless of its form, shall be considered confidential, even if marked as such. In no event shall the Exchange have any liability for the disclosure of documents or information in its possession which the Exchange believes it is required to disclose pursuant to FOIA or any other law.

15. Notices. Any notice required or permitted to be given under this Agreement shall be deemed to be given when hand delivered or one (1) business day after pickup by any recognized overnight delivery service. All such notices shall be in writing and shall be addressed as follows:

If to the Exchange:

Connecticut Health Insurance Exchange
450 Capitol Avenue
MS#52 HIE
Hartford, CT 06106
Attention: General Counsel

If to the Contractor:

KardasLarson, LLC
9 Sweetbriar Lane
Avon, CT 06001
Attention: Carol Kardas

16. Miscellaneous.

16.1 This Agreement shall be governed and construed in accordance with the laws of the State of Connecticut, without regard to its conflicts of law principles. The parties irrevocably consent to the exclusive jurisdiction and venue of any state or federal court of competent jurisdiction in Hartford

County, Connecticut in any action, suit, or other proceeding arising out of or relating to this Agreement, and waive any objection to venue based on the grounds of *forum non conveniens* or otherwise.

16.2 This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Notwithstanding the foregoing, the Contractor may not assign this Agreement or delegate its duties without the Exchange's prior written permission. Any other assignment in violation of this provision will be null and void. The Exchange may transfer or assign its rights and obligations under this Agreement without the prior written consent of the Contractor. This Agreement shall not be binding on the Exchange, and the Exchange shall assume no liability for payment for Services, unless and until a copy of the Agreement, executed on behalf of each party, is delivered by the Exchange to the Contractor.

16.3 If any provision of this Agreement, or application to any party or circumstances, is held invalid by any court of competent jurisdiction, the balance of the provisions of this Agreement, or their application to any party or circumstances, shall not be affected, provided that neither party would then be deprived of its substantial benefits hereunder.

16.4 The Exchange and the Contractor shall not be excused from their obligations to perform in accordance with this Agreement except in the case of force majeure events and as otherwise provided for in this Agreement. In the case of any such exception, the nonperforming party shall give immediate written notice to the other, explaining the cause and probable duration of any such nonperformance. "Force majeure events" means events that materially affect the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.

16.5 The parties shall not refer to the Services provided to the Exchange for advertising or promotional purposes, including, but not limited to, posting any material or data on the Internet, without the other parties' prior written approval.

16.6 The Contractor shall reasonably cooperate with any and all audit or review of billing by the Exchange or any other agency, person or entity acting on behalf of the Exchange, and shall, upon written request, provide billing in a format which will facilitate audit or review.

16.7 Neither the failure nor the delay of any party to exercise any right under this Agreement on one or more occasions shall constitute or be deemed a waiver of such breach or right. Waivers shall only be effective if they are in writing and signed by the party against whom the waiver or consent is to be enforced. No waiver given by any party under this Agreement shall be construed as a continuing waiver of such provision or of any other or subsequent breach of or failure to comply with any provision of this Agreement.

16.8 The parties acknowledge and agree that nothing in any request for proposal or this Agreement shall be construed as a modification, compromise or waiver by the Exchange of any rights or defenses or any immunities provided by federal or state law to the Exchange or any of its officers and employees. To the extent that this Section conflicts with any other section, this Section shall govern.

16.9 The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope of content of any of its provisions.

16.10 Any provision of this Agreement, the performance of which requires that it be in effect after the expiration and/or termination of this Agreement, shall survive such expiration and/or termination.

16.11 This Agreement constitutes the entire agreement between the parties and supersedes all other agreements, promises, representations, and negotiations, regarding the subject matter of this Agreement.

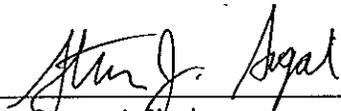
16.12 No amendment or modification of this Agreement or any of its provisions shall be effective unless it is in writing and signed by both parties.

16.13 This Agreement may be executed in any number of counterparts and by facsimile signature. All of such counterparts taken together shall, for all purposes, constitute one agreement binding upon all of the parties.

IN WITNESS WHEREOF, this Agreement has been read and signed by the duly authorized representative of each party.

THE CONNECTICUT HEALTH
INSURANCE EXCHANGE

KARDAS LARSON, LLC

By: 
Name: Steven J. Sigal
Title: CFO

By: 
Name: Carol Kardas
Title: President

Exhibit A

Purpose:

The Connecticut Health Insurance Exchange (HIX) is a relatively new quasi-public organization established by legislation to satisfy the requirements of the Affordable Care Act. It provides an innovative and competitive marketplace that supports health reform efforts at the state and national level. Its purpose is to increase the number of insured CT residents, improve health care quality, lower costs and reduce health disparities while providing an exceptional consumer experience.

The Connecticut Health Insurance Exchange seeks a review, analysis, and recommendations for improvement on its current offering of benefits to its employees in order to attain a market competitive status in attracting and retaining critical employees. The review shall include comparisons to benefits programs available in other quasi-public organizations in Connecticut and in private sector organizations in the region.

Scope of Work:

KardasLarson, LLC will conduct a review of the current benefits that the Connecticut Health Insurance Exchange provides to its employees and formulate recommendations on the content and components of a cost-effective employee benefit package which will assure marketplace competitiveness in attracting and retaining critical employees needed for the Exchange to achieve its mission.

KardasLarson has extensive experience in working with health care related organizations and municipal governments, and it has also recently completed a comprehensive benefits benchmarking survey for another quasi-public organization in Connecticut. KardasLarson will draw on this experience and information, together with benefit best practices from the private sector, to conduct the required review within a relatively short time-frame so that the Health Insurance Exchange may consider implementing modifications to its benefits policies and programs in calendar year 2013.

KardasLarson will perform a thorough and comprehensive review of all documentation defining current benefit policies and programs available to all levels of employees. These policies and programs will be compared to available information from other quasi-public organizations in Connecticut and additional organizations in the private sector in the region. From this information and analysis, recommendations to improve or modify the current benefits policies and programs will be developed and presented to the management staff at the Connecticut Health Insurance Exchange.

KardasLarson will utilize existing information on employee benefit best practices, including results from a recent comprehensive benefits benchmarking survey for another quasi-public organization, benefit best practices from private sector research and consulting work, and any additional information obtainable from other quasi-public organizations in Connecticut, to formulate recommendations to improve the market competitiveness of current benefit offerings at Connecticut Health Insurance Exchange. In performing the described work, KardasLarson will perform a series of essential work tasks that are described below:

1. Review available documentation for current employee benefit policies and programs.
2. Assemble a set of "best practice" employee benefit policies and programs from prior projects, available public and proprietary subscription databases, and additional documentation

obtainable from other organizations in Connecticut and the nearby region. The employee benefits to be considered in this effort will include vacation time, sick time, personal time, bereavement time, holidays, group health and dental insurance, life insurance, AD&D, disability insurance, tuition reimbursement, and retirement program and administration. This set of "best practices" will also include consideration of eligibility criteria, benefit levels, and employee contribution requirements.

3. Formulate recommendations based on the identified "best practices" to improve the employee benefit policies and programs at Connecticut Health Insurance Exchange.
4. Create an Executive Report with all analysis results and recommendations.
5. Support and participate in the communication of the information, including a one-hour meeting with two Consultants for a final presentation of results. All additional meetings will be charged at an hourly rate of \$125.00 per hour per Consultant.

Responsibilities

Connecticut Health Insurance Exchange is responsible for:

- Providing copies of appropriate and applicable documentation, information, records, and other data on a timely basis that is necessary to complete the project.
- Coordination and assistance in contacting similar health insurance exchange organizations in the Northeast and other quasi-public organizations.
- Access to a designated contact to address any issues or questions on a timely basis (e.g., Mr. Steven Sigal).

KardasLarson is responsible for:

- Provide benefits policy and program consulting expertise.
- Maintaining the utmost confidentiality of all information, records and data.
- Bringing any obstacles to the attention of the designated contact that may delay completion of the project.
- Providing periodic progress reports as checkpoints.

Results and Deliverables

Connecticut Health Insurance Exchange will:

- Have a clear sense of its current employee benefit practices against the market.
- Know what employee benefit levels are required to attract and retain the best talent.
- Have a roadmap for future positions and how to slot them into the compensation program.
- Benefit from extensive expertise and knowledge from a professional resource.

Deliverables:

- Documentation of all analyses and recommendations as described above.
- Executive Report on the findings for identified potential improvements and modifications to employee benefit policies and programs.

All reports and documentation will be delivered in electronic format.

Schedule

The consulting costs required to complete the outlined project is \$7,800. The anticipated time to complete the project is approximately three (3) weeks after project initiation, and all work will be completed by December 14, 2012 (assuming project approval and go-ahead occurs on November 26, 2012).

A possible timetable for this project is summarized below.

November 26	Project approval and go-ahead.
November 26	Project initiation conference call; transmittal of essential benefit policy and program documentation.
November 30	KL completes review and analysis of relevant documentation and applicable "best practices". Conference call to review progress on project.
December 7	KL completes draft report of analysis and recommendations. Conference call to review progress on project.
December 11	HIX completes review of draft report and provides feedback for changes and clarifications.
December 12	KL completes final draft report.
December 14	KL presents overview of final project results to HIX management.

Payment Terms

Upon contract signing, the Exchange will pay, a deposit of 20% of the estimated total project costs in return for which the Contractor shall reserve all necessary consulting time and schedule the dates required for contract performance.

The balance of fee due under this Agreement will be billed upon completion of the project, with the final balance due and payable within thirty (30) days of completion of the project.

Staffing

KardasLarson, LLC (KL) is a women-owned consulting firm located in Connecticut and focused on developing and delivering strategic human resource solutions to enhance business results in for-profit and non-profit organizations, including municipalities and other government-related organizations.

KardasLarson provides human resource expertise on a consultative basis, project basis, retained basis, outsourced or temporary on-site basis. The current practice consists of three partners, eight human resource consultants, affiliated specialized individuals, and partner organizations that can be called depending on the expertise needed to provide top-level services to its customers. The staff members of the Contractor primarily responsible for the performance of this Agreement are Carol Kardas and Gerald Kardas. The Contractor may not change these individuals without the prior written consent of the Exchange.

Administration

The individual in charge of administering this Agreement on behalf of the Exchange is Steven J. Sigal, CFO.

The individual in charge of administering this Agreement on behalf of the Contractor is Carol Kardas.

Compensation

The Exchange shall pay the Contractor's on an hourly basis for the Services rendered under this Agreement according to the schedule outlined below. The contractor shall be compensated solely based upon work performed, documented and accepted by the Exchange. The Exchange shall pay the Contractor a total sum not to exceed \$7,800 in professional fees for the scope of work outlined above billed at the rate of \$125.00 per hour.

Billing

The Contractor shall submit invoices on a monthly basis. Invoices shall, at a minimum, include the Contractor name, the Contract Number, the Contractor's Federal Employer Identification Number, the billing period, the name and title of the individual providing the services, the dates worked, the number of hours worked each day (billed to the tenth of an hour within a single workday) with a brief synopsis of the work performed, the rate being charged for the individual, and the total cost for that person's work during the billing period.

Invoices for expenses, if allowed, shall include a detailed account of expenses specifying the day when and purpose for which they were incurred as well as all receipts, invoices, bills and other available documentation or if no documentation is available, a detailed accounting of the computation used to determine the reimbursable cost, as evidence of the actual cost of such expenses. Such expenses may include, but are not limited to: mileage at the most recent IRS approved reimbursement rate (currently \$0.555 per mile), reasonable costs of travel including coach airfare and hotels and office expenses such as long distance phone charges or postage and package delivery incurred in connection with the services pertaining to this Agreement. All expenses will be reimbursed at cost.

Exhibit B

A. Nondiscrimination and Affirmative Action

- a) For purposes of this Section A of this Exhibit B, the following terms are defined as follows:
- i. "Commission" means the Commission on Human Rights and Opportunities;
 - ii. "Contract" and "contract" include any extension or modification of this Agreement;
 - iii. "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
 - iv. "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose;
 - v. "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
 - vi. "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
 - vii. "marital status" means being single, married, widowed, separated or divorced as recognized by the State of Connecticut,;
 - viii. "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders," or a record of or regarding a person as having one or more such disorders;
 - ix. "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which are owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
 - x. "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include an agreement where each contractor is (1) a political subdivision of the state, including, but not

limited to, a municipality, (2) a quasi-public agency, as defined in Connecticut General Statutes § 1-120, (3) any other state, including but not limited to, any federally recognized Indian tribal governments, as defined in Connecticut General Statutes § 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

- b) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, gender identity or expression, genetic information, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, gender identity or expression, genetic information, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this Section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.
- c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State

and/or the Exchange and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

- f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

B. Certain State Ethics Requirements.

- a) For all State contracts as defined in P.A. 07-01 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contributions and solicitation prohibitions and will inform its principals of the contents of the notice.
- b) Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), the Contractor must submit a contract certification annually to update previously-submitted certification forms for state contracts. Contractors must use the Gift and Campaign Contribution Certification (OPM Ethics Form 1) for this purpose, attached as Appendix A. The first of these OPM Ethics Form 1 certifications is due on the first annual anniversary date of the execution of this Agreement and subsequent certifications are due on every succeeding annual anniversary date during the time that this Agreement is in effect, including the first anniversary date following the termination or expiration of this Agreement or conclusion of the Services. This provision shall survive the termination or expiration of this Agreement in order for the Contractor to satisfy its obligation to submit the last certification.

C. Applicable Executive Orders of the Governor.

The Contractor shall comply, to the extent applicable, with the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings, Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace and Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms. These Executive Orders are incorporated into and are made a part of this Agreement as if they had been fully set forth in it. At the Contractor's request, the Exchange shall provide a copy of these orders to the Contractor.



**CONNECTICUT HEALTH INSURANCE EXCHANGE
NONDISCRIMINATION CERTIFICATION - Representation**

By Entity

For Contracts Valued at Less Than \$50,000

Written representation that complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended

INSTRUCTIONS:

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with **The Connecticut Health Insurance Exchange** valued at less than \$50,000 for each year of the contract. Complete all sections of the form. Submit to **The Connecticut Health Insurance Exchange** prior to contract execution.

REPRESENTATION OF AN ENTITY:

I, Carol L. Kardas, President, of Kardas Larson,
Authorized Signatory Title Name of Entity

an entity duly formed and existing under the laws of Connecticut,
Name of State of Commonwealth

represent that I am authorized to execute and deliver this representation on behalf of

Kardas Larson and that Kardas Larson
Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

Carol L. Kardas
Authorized Signatory

11/27/12
Date

CAROL L. KARDAS
Printed Name