

Axis Management Group Holdings Inc.

PRODUCERS CODE OF CONDUCT

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PRODUCERS CODE OF CONDUCT

I. INTRODUCTION

This Producers Code of Conduct ("Code") applies to employees, directors, contractors, agents and brokers of Axis Management Group Holdings Inc. and its subsidiaries and affiliates (collectively, the "Company").

This Code was prepared with the advice and assistance of legal counsel and has been approved by the Company's Board of Directors. This Code is a formal statement of the Company's commitment to the standards and rules of ethical business conduct. It supplements the Company's commitment to conduct all activities in accordance with applicable laws and regulations.

This Code specifically applies to agents and brokers (collectively "producers") of the Company. All producers of the Company must comply with this Code, immediately report any alleged violations and assist compliance personnel in investigating allegations of wrongdoing. The policy of the Company is to prevent the occurrence of unethical or unlawful behavior, to halt such behavior as soon as reasonably possible after its discovery and to sanction producers who violate this Code, including producers who neglect to report a violation.

No code of conduct can cover all circumstances or anticipate every situation. Consequently, producers encountering situations not addressed specifically by this Code should apply the overall philosophy and concepts of this Code to the situation, along with the highest ethical standards observed by honorable people everywhere. If a question still exists in your mind, the particular circumstances should be reviewed with the Company's management team.

II. ETHICS

It is the longstanding policy of the Company to observe all laws applicable to its business. Even where the law is permissive, the Company chooses the course of highest integrity. While local customs, traditions and mores differ from place to place honesty is valued in every culture.

Producers of the Company must understand that how results are obtained, not just that they are obtained, is important. Producers are expected to record all transactions accurately and to be honest and forthcoming with the Company, the Company's regulatory agencies and external auditors.

The intent of this Code is that the entire Company function with honesty in internal operations, and in dealing with members/insureds, accounts, providers, suppliers and all others with whom the Company does business.

III. CONFLICT OF INTEREST

You must not allow any outside financial interest or competing personal interest, to influence your decisions or actions taken on behalf of the Company. You must avoid any situation where a conflict of interest exists or might appear to exist between your personal interests and those of the Company. The appearance of a conflict of interest may be as serious as an actual conflict of interest.

The Company will not be inappropriately influenced to purchase goods or services from any business in which a producer or close relative of a producer has a substantial interest. Occasional exceptions may be made when it is in the best interest of the Company, but only when documented and approved by senior management and the Corporate Compliance Officer.

IV. MAINTENANCE OF BOOKS AND RECORDS

Producers must record and report all transactions with or on behalf of the Company fully, accurately and honestly. Records include, but are not limited to, accounting books or records, financial reports, business and time records, expense reports, vouchers, bills, payroll, membership/insured records, correspondence and other records of communication and claims payments records. No relevant information is to be omitted or concealed, nor may any secret or unrecorded funds or assets be created for any purpose.

A. Falsification of Records

False entries must never be made in any of the Company's books or records or in any public record for any reason. No permanent entries in the Company's records may be altered in any way. No payment or receipt on behalf of the Company may be approved or made with the intention or understanding that any part of the payment or receipt is to be used for a purpose other than that described in the documents supporting the transaction. "Slush funds" or similar off book accounts, where there is no accounting for receipts or expenditures on the corporate books, are strictly prohibited. It is very important that producers not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.

B. Expense Records

Expenditures must always be charged accurately.

C. Retention of Records

The retention, disposal or destruction of records of or pertaining to the Company must always comply with legal and regulatory requirements, and corporate policy. Records pertaining to litigation or a government investigation or audit are not to be destroyed without express approval from the Company.

V. PROTECTION OF CONFIDENTIAL INFORMATION

Producers may be entrusted with important confidential information that may not be released without proper authorization. Confidential information includes medical and claims information as well as financial, operational and business plans regarding the Company's and insured's business activities. Confidential Information also includes information about policies, coverages and other client data.

Protected health information, financial data, sales figures, planned new products/projects or planned advertising programs, areas where the Company intends to expand, lists of suppliers, lists of accounts, lists of prospects, lists of member/insureds, provider data, wage and salary data, capital investment plans, projected earnings, changes in management or policies of the Company, testing data, suppliers' prices to us or any plans the Company may have for any of our products are also confidential information.

All producers must abide by the confidentiality obligations imposed by the Company. Producers must avoid even inadvertent disclosures of confidential information.

A. Termination of Relationship

Once a producer's relationship with the Company ends, the producer may not use any confidential information gained from the relationship with the Company. Producers may not take originals or copies of any reports, manuals, proposals or any other property belonging to the Company.

B. Information Security

Producers are responsible for properly using information stored and produced by all of the Company's systems. System user names and passwords may not be shared between individuals. Any use of a user name or password other than the producer's own without the express permission of an appropriate official of the Company shall be considered theft of service and a violation of corporate policy.

Microcomputers, personal computers, Internet access, email or other office communications systems are intended for business related purposes only and not for use that may be considered disruptive, offensive, harassing or harmful to others.

Any questions concerning information security may be directed to the Company's management team.

VI. FAIR DEALING

Conducting business with providers, contractors, other producers, accounts and members/insureds on behalf of the Company can pose ethical problems. This Code is intended to assist in making appropriate, responsible and correct decisions. Producers are expected to exercise good judgment and discretion in these matters.

A. Kickbacks and Rebates

The purchase or sale of goods and services must not lead to the receipt of kickbacks by producers or their families. Kickbacks or rebates may take many forms and are not limited to direct cash payments or credits. If a producer or a member of his or her family stands to gain personally in the form of a kickback and or rebate from a transaction, it is prohibited. Such practices are not only unethical, but are in many cases, illegal.

B. Gifts or Gratuities

Producers must be aware that employees of the Company may not accept or encourage gifts of money under any circumstances. They may not solicit non-monetary gifts, gratuities or any other personal benefit or favor of any kind from providers, contractors, producers, accounts or members/insureds.

Employees and their immediate families may accept unsolicited, non-monetary gifts from a business firm or individual doing or seeking to do business with the Company if the gift is primarily of an advertising or promotional nature. Gifts that a business firm or individual provides to a wide spectrum of existing and potential customers and that are of a nominal value may be accepted.

If protocol, courtesy or other special circumstances require it, employees may accept gifts of more than nominal value. However, any gift of more than nominal value must be reported to the Company's management team, who will determine whether the employee may keep the gift.

C. Entertainment

Producers must be aware that employees of the Company may only accept entertainment if it:

- is not excessive;
- does not involve lavish expenditures; and
- is compliant with corporate policy and any applicable laws and regulations.

Offering entertainment to employees that is not a reasonable addition to a business relationship but is primarily intended to gain favor or to influence a business decision is not permitted.

D. Agreements with Producers

Agreements between the Company and a producer must clearly and accurately describe the services to be performed, the performance standards, and applicable compensation, if any. Compensation must be reasonable in amount. For example, payment may not be excessive in terms of industry practice, not in violation of applicable laws and regulations, and must equal or match the value of the services rendered.

Each agreement with a producer will include a Code of Conduct. Producers will be asked to acknowledge receipt of this Code and adhere strictly to its provisions. Each agreement will also include a confidentiality or business associate agreement, as appropriate.

E. Improper Use of Funds or Assets

Use of the Company's funds or assets for any improper purpose is prohibited. Examples of improper use of funds or assets include:

- Payments for any unlawful or unethical purposes;
- Payments outside the scope of agreements entered into by or on behalf of the Company; and
- Use of the Company's assets in violation of corporate policy or any applicable law or regulations.

A producer who knows or has reason to know of an actual or potential improper use of the Company's funds or assets has an obligation to report it to the Corporate Compliance Officer.

VII. **FEDERAL AND STATE CONTRACTS; FEDERAL PROCUREMENT**

A. Gifts to Government and Public Officials

Federal and state statutory provisions prohibit public officials, including employees, from accepting anything of value, subject to reasonable exceptions such as modest items of food and refreshments. No producer shall either offer or make a gift to a federal or state public official on behalf of the Company.

It is also illegal for any person to give a gift or to offer or promise anything of value, to a public official for or because of any official act performed or to be performed by such official. Additionally, it is a crime to make a payment to a public official as compensation for public duties performed.

B. Federal Procurement

The Company is subject to the Federal Procurement Integrity Act when bidding on a federal contract, such as a Medicare Advantage contract. This law restricts certain business conduct for a company seeking to obtain work from the Federal Government. During the bidding process, producers, on behalf of the Company, may not:

- offer or discuss employment or business opportunities at the Company with any agency procurement official;
- offer or give gratuities or anything of value to any agency procurement official; or
- seek to obtain any confidential information about the selection criteria before the government awards the contract, which includes information, submitted by another company in a bid or proposal and marked "Proprietary," as well as the selection criteria and the evaluation of bids and proposals.

VIII. **FEDERAL AND STATE PROGRAMS**

The Company is committed to abiding by the laws and regulations that govern the state and federal programs it administers.

IX. **GOVERNMENTAL INVESTIGATIONS**

From time to time, the Company may be asked to cooperate with a governmental examination or investigation, or respond to a request for information. A request may be formally addressed to the Company, or directed informally to an individual within the Company by a regulator or enforcement agency. All producers are required to report requests for information or cooperation to the Corporate Compliance Officer.

X. **EMPLOYMENT ENVIRONMENT**

All producers must comply with all applicable laws and regulations and corporate policies affecting safety, health, and the environment. It is the policy of the Company to maintain a drug and alcohol free environment.

The Company is committed to providing a work environment that is free of harassment and discrimination in all aspects. All producers are required to support the Company's commitment to a safe and professional work environment, and to conduct themselves appropriately in dealing with the Company's employees.

XI. SEEKING GUIDANCE AND REPORTING VIOLATIONS

Producers must report any actual or suspected violation of this Code; any applicable law or regulation; or any corporate policy, practice or procedure that could adversely affect the Company.

When a report is made, steps will be taken to protect anonymity and confidentiality, where warranted and appropriate. The Company will not tolerate any form of retaliation against a person who makes a good faith report in accordance with this Code.

All producers have an obligation to cooperate openly and honestly in any corporate investigation into a reported violation of this Code, any corporate policy, practice or procedure, or any applicable law or regulation.

XII. CORRECTIVE ACTION AND/OR DISCIPLINE

Any violation or knowing failure to report any violation of this Code; any applicable law or regulation; or any corporate policy, practice or procedure by a producer may result in termination.

Any producer who harasses or threatens an employee for reporting violations will be subject to termination. The Company will not tolerate such retaliation.



AMGH PRODUCERS CODE OF CONDUCT AGREEMENT

I acknowledge receipt of the Company Code of Conduct. I understand the importance of this agreement and hereby agree to its regulations.

Employee's Name (printed)

Date

Employee's Signature

Witness's Signature