

## **I. Introduction**

Any third party marketing on behalf of Careington International Corporation or its affiliates (Careington) or selling Careington's products (collectively referred to herein as "Marketing Partners" or "Partners") is prohibited from marketing and/or selling Careington's products unless they have demonstrated full compliance with these Guidelines. The Guidelines are intended to facilitate compliance with relevant federal and state laws and regulations including, but not limited to, Section 5 of the FTC Act, the Telephone Consumer Protection Act (TCPA), the Telemarketing Sale Rule, state telemarketing laws and state laws governing discount plan organizations (DPOs). The Guidelines also include best practices that may impose requirements that exceed those mandated by federal and/or state law.

**Any Partner that violates applicable laws and/or these Guidelines, as determined by Careington, shall be subject to suspension or termination of the parties' underlying Agreement.**

**The information contained in these Guidelines is not to be construed as legal advice and does not create an attorney-client or any other relationship between Careington and its Partners. Careington recommends that each Partner retain its own legal counsel to ensure compliance with applicable laws and regulations.**

## **II. Documents and Forms**

Prior to marketing or soliciting Careington products, Partners shall complete/execute the following documents and return them to Careington:

- A. Non-Disclosure Agreement
- B. Corporate Overview and Marketing Guidelines Attestation (updated upon request but not more than once every 2 years)
- C. Marketing Agreement or other underlying agreement

## **III. Basic Requirements**

Partners that market Careington's products shall:

- A. **Comply with all relevant laws and regulations.**
- B. **Conduct business solely using their own legal name** and/or a registered fictitious (d/b/a) name that has been provided to Careington in writing. Partners shall not operate using Careington's name without Careington's prior written approval.

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- C. **Not utilize any third parties to act as a Marketing Partner** without Careington's prior written approval. A Partner that contracts with such Third Party Partner shall ensure it complies with these Guidelines and shall be responsible for its acts and omissions to the same extent the Partner would be responsible for its own acts and omissions.
- D. **Not refer to Careington's discount plans as insurance** or otherwise imply that such plans are insurance products.
- E. **Obtain all required licenses** and/or registrations to sell discount medical plans.
- F. **Comply with** all applicable federal and state privacy laws including, but not limited to, the CCPA (Cal. Civ. Code § 1798.100 *et seq*) and California's Online Privacy Protection Act (Cal Bus & Prof Code § 22575 *et seq.*). All partners shall post a privacy policy on all websites disclosing what personally identifiable information (PII) the Partner collects, how such PII is used and under what circumstances the PII is shared with third parties.
- G. **Adequately protect consumers' PII** and maintain a written information security program ("ISP") containing administrative, technical and physical safeguards that are appropriate to the Partner's business and the sensitivity of the information it obtains.
- H. **Not use any high-pressure sales** tactics or otherwise engage in unfair or deceptive acts or practices during sale presentations.
- I. **Notify Careington within 7 days of any complaint**, lawsuit, investigation or subpoena received related to its marketing or sales practices. Partner must provide a copy to Careington, or a summary of the complaint (if received verbally), including contact information for the person making the complaint, a description of the underlying issue(s) and what was done to resolve the issue(s).
- J. **Allow Careington to perform a compliance audit** on its marketing and sales practices. Partners shall provide reasonable access to their policies, procedures and business records upon reasonable notice.

### **IV. General Marketing Requirements**

Partners that market Careington's products shall:

- A. **Not utilize any marketing materials without written approval** from Careington (including, but not limited to, mailers, e-mails, radio or television ads and/or online ads). If any changes are made to an approved marketing piece, it must be resubmitted to Careington for approval.
- B. **Not use any deceptive or misleading marketing materials.**
- C. **Substantiate all claims** and representations made in an advertisement at the time they are made and retain all information, documents and/or records necessary to substantiate such claims.
- D. **Include mandatory disclosures** in all marketing materials, including, but not limited to, the material terms, conditions and limitations of an offer and disclosures mandated by state DPO laws.

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- E. **Not use the word "Free"** or similar words in marketing materials unless all terms and conditions of the "free" offer are clearly and conspicuously disclosed and the offer meets the requirements outlined in the Federal Trade Commission's "Guide Concerning Use of the Word 'Free' and Similar Representations" (16 C.F.R. § 251.1).
- F. **When using online and/or mobile advertising**, meet the principles set forth in the Federal Trade Commission's [Com Disclosures](#) guidance document.
- G. **When using e-mail advertisements**, meet all requirements set forth under the CAN-SPAM Act (15 U.S.C. § 7701 *et seq.*; 16 C.F.R. § 316.1 *et seq.*), including, but not limited to, Accurate Header Information, Accurate Subject Lines, Identification as an Advertisement, inclusion of Physical Address and a clear and conspicuous opt-out message allowing the recipient to opt-out of all commercial e-mails.

### V. Telemarketing Requirements

Partners that market or reference Careington products during inbound or outbound telephone calls shall:

- A. **Not make non-exempt outbound telemarketing calls to numbers on the National Do Not Call (DNC) Registry** or any state DNC list.
  - 1. Partners may make outbound telemarketing calls to a consumer who gave **"express written consent"**. Only obtained by: (a) clearly and conspicuously disclosing the purpose of the agreement; (b) obtaining the consumer's telephone number; and (c) obtaining the consumer's signature.
  - 2. Partners may make outbound telemarketing calls to a consumer with whom the Partner has an **"established business relationship"** EBR. Under federal regulations, this includes consumers that have entered into a transaction with the Partner during the previous 18 months and/or consumers that inquired about the Partner's products or services within the previous 3 months. Some states, however, provide narrower EBR exemptions or do not have EBR exemptions. Partners shall comply with all state DNC laws, taking into account narrower state exemptions.
  - 3. Partners shall retain and produce, upon request, **substantiation of each exemption** relied upon to make an outbound call.
- B. Implement policies, procedures, and training to **accept and honor company specific DNC requests** made by consumers during inbound or outbound campaigns.
  - 1. *DNC Requests Made to Vendors*. Partner's internal DNC list shall include the number for each consumer who made a DNC request during campaigns conducted by approved third parties (if any).
  - 2. An **internal DNC request shall be processed** and honored (no calls to the number in question) **no later than 7 calendar days** from the date of the request. Numbers remain on each Partner's internal DNC list permanently.

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3. *Sharing DNC Requests with Careington.* Marketing partners are not permitted to conduct telemarketing campaigns as a vendor of Careington. Partner may not use, without written approval, Careington's name during any telemarketing campaigns. All internal DNC requests received during Partner's own telemarketing campaign will be made available to Careington upon request.
  4. An **internal DNC request** from a consumer **negates any state or federal exemption** that might otherwise allow the Partner to call the consumer (e.g. written consent or EBR).
- C. **Adopt** and implement a written **DNC Policy** and written **DNC Procedures**. All employees and agents engaging in telemarketing shall be trained on the policy and procedures. The Partner shall make a copy of the DNC Policy available to consumers upon request.
- D. **Not place any telemarketing calls using prerecorded messages.**
- E. **Not send any advertisements** or other marketing communications **via text message** (including SMS, MMS and internet-to-phone texts) without Careington's prior written approval.
- F. **Not make any calls to cellular telephone numbers using an automatic telephone dialing system (ATDS)** without the called party's prior consent (as outlined in this section).
1. *Telemarketing Calls.* Partners shall not use an ATDS to make telemarketing calls to cellular telephone numbers unless the called party has provided "prior express written consent" (PEWC), as defined in 47 C.F.R. § 64.1200(f), for such calls.
  2. *Non-Telemarketing Calls.* Partners shall not use an ATDS to make nontelemarketing calls to cellular telephone numbers unless the called party has provided "prior express consent" for such calls.
  3. *Identifying Cell Phone Numbers.* If a Partner uses an ATDS to make any outbound calls, it shall purchase the Wireless Block Identifier File and the Intermodal Ported Telephone Number Service (Ported Number List) to identify and remove cellular telephone numbers from its calling lists unless the Partner has the requisite level of consent (as outlined above) for such calls.
  4. *Exemption Substantiation.* Partners shall retain proof of prior express consent and/or PEWC in accordance with the recordkeeping requirements outlined below. Partners are required to use Trusted Forms/Active Prospect, Journaya or another approved vendor to provide PEWC.
  5. *State Laws.* Partners shall also comply with all state laws and regulations that restrict calls to cellular telephone numbers.
- G. **Require all employees** and agents that solicit Careington products **undergo ongoing compliance training**, including all requirements in these Guidelines and training sign-off forms.
- H. Using these Guidelines, implement policies and procedures routinely **monitoring all employees** and agents that solicit Careington products.
- I. **Register as a telemarketer** in all required states. Partner shall provide substantiation to Careington of any telemarketing registration exemptions.

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- J. **Not abandon any outbound telemarketing calls** unless the requirements set forth in this section are met. A call is "abandoned" if it is not connected to a live representative within two seconds of the called party's completed greeting.
1. **Abandonment Rate.** Partners shall ensure no more than 3% of calls completed to live consumers are abandoned (measured over the duration of a single campaign, if less than 30 days, or separately over each successive 30-day period for campaigns lasting longer than 30 days).
  2. **Ring Time.** Partners shall ensure that the consumer's phone shall ring, at least 4 complete rings, or for 15 seconds.
  3. **Recorded Message.** Within 2 seconds after the consumer's greeting, a Partner abandoning a call shall provide a prerecorded identification message containing only: (a) name and telephone number of entity on whose behalf the call was placed; (b) statement call was for "telemarketing purposes"; and (c) instructions on using the mandatory automated, interactive opt-out mechanism during the call. Mechanism shall automatically record consumer's number to Partner's DNC list and immediately terminate the call.
- K. **Calling Times and Days.** Partners shall only make outbound telemarketing calls between 8 a.m. and 9 p.m. at the called party's location, on any day, except Sundays or holidays, or as further restricted under relevant state laws.
- L. **Scripting.** All inbound or outbound telemarketing scripts require written approval from Careington. Changes must be resubmitted to Careington for approval. All scripts shall disclose:
1. **Identification:** (a) name of the individual caller; (b) Partner's legal name; (c) purpose of the call is to sell goods or services; and (d) nature of the goods or services being offered.
  2. that the **call may be recorded** (immediately after the identification disclosures).
  3. Partner's **telephone number or postal address.**
  4. **Prior to making a sale** or charging a payment card: (a) the **total cost** of the goods or service offered; (b) any material **restrictions, limitations, or conditions** attached to the offer; and (c) **cancellation and refund policy** (or lack thereof).
  5. **All other disclosures required** under federal or state laws/regulations, including telemarketing and DMPO laws.
- M. **Caller ID.** Must be accurate with valid name and phone number.
- N. **All inbound and outbound telemarketing calls shall be recorded from start to finish.**
1. Call recording disclosure at the beginning of all inbound and outbound calls. All employees and/or agents handling calls shall sign a consent to record form.
  2. Call recording and storage practices must comply with the Payment Card Industry (PCI) Data Security Standards.

## VI. Recordkeeping Requirements

Partners shall keep all records related to their marketing, telemarketing and/or sales activities for **at least 5 years** and provide them to Careington within three (3) business days of request.

Required records include, but are not limited to, the following:

- A. Copies of all scripts, advertisements and marketing/promotional materials;
- B. Copies of all training materials (sales and compliance);
- C. Call logs and disposition records;
- D. Call recordings;
- E. Internal DNC list;
- F. DNC Policy and Procedures;
- G. Copies of all telemarketer registrations;
- H. Proof of DNC list subscriptions and records of DNC scrubbing;
- I. Proof of applicable DNC exemptions and exemptions for calls to cell phones using an ATDS (must be kept for 5 years from the date of the *last* call made to that consumer)
- J. Abandoned call safe harbor records;
- K. Employee records, including: (a) employee name; (b) any fictitious name used; (c) the last known home address and telephone number; (d) job title(s); and (e) documentation of compliance training;
- L. Customer records, including: (a) the name and last known address of each customer; (b) the goods or services purchased; (c) the date such goods or services were provided; (d) the amount paid by the customer for the goods or services; and (d) if prizes of \$25 or more are offered, the name and last known address of each prize recipient (along with the prize awarded);
- M. Quality assurance forms; and
- N. Records of all complaints, lawsuits, investigations and/or subpoenas received from consumers or third parties related to the Partner's marketing or sales practices, including documentation of what actions were taken by the Partner to resolve the underlying issues.