

Vendor Terms of Engagement

Special Investigative Unit Compliance Amendment

For Contracted entities (as defined under California's Special Investigative Unit Regulations at 10 California Code of Regulations 2698.30 et seq.) performing Special Investigative Unit or integral anti-fraud personnel duties or functions on behalf of Prudential, the following provisions shall be added to your agreement with Prudential and be applicable:

Compliance with Applicable Law and Policies

(a) During the term of the agreement, you shall comply with the applicable provisions of the California Insurance Frauds Prevention Act ("IFPA") at California Insurance Code Sections 1871-1879.8 and California's Special Investigative Unit Regulations at 10 California Code of Regulations 2698.30 et seq. (collectively the "SIU Requirements").

(b) you shall require any subcontractor engaged on your behalf ("Subcontractor") to perform Special Investigative Unit or integral anti-fraud personnel duties or functions on behalf of Prudential to comply with the SIU Requirements.

SIU Requirements

(a) Prudential will monitor your performance to confirm adherence with the SIU Requirements in accordance with the procedures set out in the agreement and in accordance with industry practices as determined by Prudential.

(b) You and Prudential shall cooperate fully with each other in all reasonable respects in order to accomplish the objectives of the agreement and the performance of the Special Investigative Unit functions and the anti-fraud personnel duties and functions.

(c) You agree to provide a complete and executed copy of the entire agreement, including all attachments, exhibits and amendments to the agreement to the California Department of Insurance Fraud Division ("Fraud Division") upon request by the Fraud Division or Prudential.

(d) The Fraud Division or other governmental agency may request information from Prudential or you related to insurance fraud ("Regulatory Request"), and if you receive a Regulatory Request, you will notify Prudential within one business day of receipt of a Regulatory Request that includes the specific details of such Regulatory Request. The parties will handle such Regulatory Request in accordance with the agreement or, if not otherwise addressed in the agreement, as Prudential directs, and always as required by applicable law.

(e) Prudential may request information from you relating to insurance fraud. You shall provide Prudential with any and all information in your possession related to Prudential's request within five business day of Prudential's request.

Subcontracting SIU Requirements by You; Limitations

(a) Subject to all other provisions with respect to subcontracting contained in the agreement, including any consent requirements, you agree that you shall use the same degree of care in selecting any Subcontractor as you would if the Subcontractor was being retained to provide similar services directly to you.

(b) You agree to provide a complete and executed copy of any agreement between you and your Subcontractor, including all attachments, exhibits and amendments to the agreement, upon request by the Fraud Division.

(c) You agree that you shall expressly include the following provisions in any agreement that you may enter into with any Subcontractor to perform Special Investigative Unit or integral anti-fraud personnel functions and duties for you on behalf of Prudential:

(i) Requirement of Subcontractor to provide a complete and executed copy of any

agreement between you and your subcontractor, including all attachments, exhibits and amendments to the agreement, upon request by the Fraud Division.

(ii) Requirement of Subcontractor to be bound by the same requirements as you and that any such agreement shall conform to the requirements set forth in subdivisions (c)(1), (c)(2), (c)(3), and (c)(4) of Section 2698.33 of the California Code of Regulations.

(iii) Limitations on Subcontractor contracting with other entities; that in the event that your Subcontractor contracts with any other entity or entities to perform Special Investigative Unit or integral anti-fraud personnel duties or functions on behalf of Prudential, the agreement between the Subcontractor and the subcontractor (a "Sub-Subcontractor") shall contain the following provisions:

1. Requirement of Sub-subcontractor to provide a complete and executed copy of any such agreement, including all attachments, exhibits and amendments to the agreement, upon request by the Fraud Division.

2. Requirement of Sub-subcontractor to be bound by the same requirements as you and Subcontractor and that any such agreement shall conform to the requirements set forth in subdivisions (c)(1), (c)(2), (c)(3), and (c)(4) of Section 2698.33 of the California Code of Regulations.

3. Prohibition against further subcontracting; an express provision prohibiting the Sub-subcontractor from permitting or contracting with, any other entity to perform the Special Investigative Unit or integral anti-fraud personnel duties or functions which the Sub-subcontractor has contracted with the Subcontractor to perform on behalf of Prudential.

Costs

Vendor agrees that it will bear all costs with respect to its compliance with these Terms of Engagement and the regulations described herein.