FORM S-1/A

General form of registration statement for all companies including face-amount certificate companies [amend]

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FILER

Health Insurance Innovations, Inc.
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SIC: **6411** INSURANCE AGENTS, BROKERS & SERVICE

Mailing Address
15438 N. FLORIDA AVENUE, SUITE 201
TAMPA FL 33613

Business Address
15438 N. FLORIDA AVENUE, SUITE 201
TAMPA FL 33613
(877) 376-5831

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As filed with the Securities and Exchange Commission on January 11, 2013.

Registration No. 333-185596

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
FORM S-1
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Health Insurance Innovations, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**6411**	**46-1282634**
(State or Other Jurisdiction of Incorporation or Organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
(877) 376-5831

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant' s Principal Executive Offices)

Michael W. Kosloske
Chairman, President and Chief Executive Officer
Health Insurance Innovations, Inc.
15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
(877) 376-5831

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Deanna Kirkpatrick, Esq.	**William J. Whelan, III, Esq.**
Davis Polk & Wardwell LLP	**Cravath, Swaine & Moore LLP**
450 Lexington Avenue	**825 Eighth Avenue**
New York, New York 10017	**New York, New York 10019**
(212) 450-4000	**(212) 474-1000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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SUBJECT TO COMPLETION, DATED JANUARY 11, 2013

Shares

Health Insurance Innovations, Inc.

Class A Common Stock

We are selling shares of our Class A common stock. This is our initial public offering and no public market exists for our Class A common stock. We anticipate that the initial public offering price of our Class A common stock will be between $ and $ per share. We have applied to list our Class A common stock on the NASDAQ Global Market under the symbol "HIIQ."

We will be a holding company and our sole asset will be approximately % of the aggregate membership interests of Health Plan Intermediaries Holdings, LLC. Immediately following this offering, the holders of our Class A common stock will collectively own 100% of the economic interests in Health Insurance Innovations, Inc. and have % of the voting power of Health Insurance Innovations, Inc. The holders of our Class B common stock, which are entities beneficially owned by our Chairman, President and Chief Executive Officer, will have the remaining % of the voting power of Health Insurance Innovations, Inc.

We have granted the underwriters the right to purchase an additional shares of Class A common stock to cover over-allotments.

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") and will therefore be subject to reduced reporting requirements.

Investing in our Class A common stock involves risks. See "Risk Factors" beginning on page 16.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Company
Per Share	$	$	$
Total	$	$	$

Delivery of the shares of Class A common stock will be made on or about , 2013.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Credit Suisse **Citigroup**

BofA Merrill Lynch

Co-Manager

Raymond James

The date of this prospectus is , 2013

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You should rely only on the information contained in this prospectus. Neither we nor the underwriters have authorized anyone to provide you with information different from that contained in this prospectus. We do not, and the underwriters do not, take any responsibility for, and can provide no assurances as to, the reliability of any information that others provide to you. We are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the Class A common stock.

Until , 2013, all dealers that buy, sell or trade our Class A common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

In this prospectus, unless the context otherwise requires, "HII," the "company," "we," "us" and "our" refer to (1) prior to the consummation of the reorganization described under "The Reorganization of Our Corporate Structure," Health Plan Intermediaries, LLC, and (2) after giving pro forma effect to the reorganization described under "The Reorganization of Our Corporate Structure," Health Insurance Innovations, Inc. and its consolidated subsidiaries, including Health Plan Intermediaries Holdings, LLC. References to Series B Membership Interests in this prospectus are to Health Plan Intermediaries Holdings, LLC Series B Membership Interests. The term "Predecessor" refers to our company prior to the acquisition described under "Management' s Discussion and Analysis of Financial Condition and Results of Operations−Basis of Presentation," and the term "Successor" refers to our company following such acquisition. Unless otherwise indicated, all references to the nine months ended September 30, 2012 relate to the nine-month period ended September 30, 2012 of the Successor. All references to the nine months ended September 30, 2011 relate to the nine-month

period ended September 30, 2011 of the Predecessor. All references to the year ended December 31, 2011 relate to the combined three-month period ended December 31, 2011 of the Successor and the nine-month period ended September 30, 2011 of the Predecessor. All references to the year ended December 31, 2010 relate to the 12-month period ended December 31, 2010 of the Predecessor. The presentation of combined Predecessor and Successor operating results (which is simply the arithmetic sum of the Predecessor and Successor amounts) is a Non-GAAP presentation, which is provided as a convenience solely for the purpose of facilitating comparisons of current results with combined results over the same period in the prior year.

Unless otherwise indicated, the financial information in the prospectus represents the historical financial information of Health Plan Intermediaries, LLC.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary may not contain all of the information that you should consider before deciding to invest in our Class A common stock. You should read this entire prospectus carefully, including the "Risk Factors" section and the financial statements and the notes to those statements.

Health Insurance Innovations, Inc.

Overview

Our Company

We are a leading developer and administrator of affordable, web-based individual health insurance plans and ancillary products. Our highly scalable, proprietary, web-based technology platform allows for mass distribution of and online enrollment in our large and diverse portfolio of affordable health insurance offerings.

Our technology platform provides customers, who we refer to as members, immediate access to our products through our distribution partners anytime, anyplace. The health insurance products we develop are underwritten by insurance carrier companies, and we assume no underwriting, insurance or reimbursement risk. Members can price and tailor product selections to meet their needs, buy policies and print policy documents and identification cards in real-time. Our sales are executed online and offer instant electronic fulfillment. Our technology platform uses abbreviated online applications, some with health questionnaires, to provide an immediate accept or reject decision on applications for all products that we offer. Once an application is accepted, individuals can use our automated payment system to complete the enrollment process and obtain instant electronic access to their policy fulfillment documents, including the insurance policy, benefits schedule and identification cards. We receive credit card and Automated Clearing House (ACH) payments directly from members at the time of sale. Our technology platform provides significant operating leverage as we add members and reduces the costs associated with marketing, selling, underwriting and administering policies.

We are an industry leader in the sale of 12-month short-term medical, or STM, insurance plans, an alternative to traditional Individual Major Medical, or IMM, plans. STM plans generally offer qualifying individuals comparable benefits for fixed short-term durations of six or 12 months at approximately half the cost of IMM plans, which provide lifetime renewable coverage. While applications for IMM insurance may take up to 60 days to process, STM plans feature a streamlined underwriting process offering immediate coverage options. We also offer guaranteed-issue hospital indemnity plans for individuals under the age of 65, which pay fixed cash benefits for covered procedures and services, and a variety of ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/critical illness plans that are frequently purchased as supplements to STM and hospital indemnity plans. We design and structure insurance products on behalf of insurance carrier companies, market them to individuals through our large network of distributors and manage member relations via our online member portal, which is available 24 hours a day, seven days a week. Our online enrollment process allows us to aggregate and analyze consumer data and purchasing habits to track market trends and drive product innovation. We have established relationships with several highly rated insurance carriers, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA, among others. In addition, as of September 30, 2012, the large independent distribution network we access consists of 32 licensed agent call centers and 248 wholesalers, including Marsh, eHealthInsurance and MasterCard, among others, that work with over 7,300 licensed brokers. Our data-driven product design, technology platform and extensive distribution network have enabled us to grow our revenues from $11,790,000 in 2010 to $29,878,000 in 2011, and from $21,788,000 in the nine-month period ended September 30, 2011 to $30,102,000 in the nine-month period ended September 30, 2012.

We focus on the large and under-penetrated segment of the U.S. population who are uninsured or underinsured, which includes individuals who are unable to afford traditional IMM premiums, individuals not covered by employer-sponsored insurance plans, such as those who are self-employed as well as small business owners and their employees, and underserved "gap populations" that require insurance due to changes caused by life events, such as new graduates, divorcees, early retirees, military discharges, the unemployed, part-time and seasonal employees and temporary workers. Our target market consists of approximately 64 million Americans, including approximately 50 million Americans who were uninsured in 2010, according to the U.S. Census Bureau, and approximately 14 million non-elderly Americans who purchased individual health insurance plans in 2010, according to a 2010 Kaiser Family Foundation survey. As of September 30, 2012, we had approximately 24,416 STM members. We expect the number of uninsured and underinsured to significantly increase due to the rising costs and burdensome underwriting requirements of traditional IMM plans and a decline in employer-sponsored health insurance programs.

As of September 30, 2012, we had 24,416 STM plans in force, compared with 16,838 on September 30, 2011, with an average monthly retention rate of 80% from September 30, 2011 to September 30, 2012. We earn our revenues from commissions and fees related to the sale of products to our members. Our ancillary products have created several additional revenue streams and resulted in a significant portion of our business being generated by monthly member renewals. For the nine months ended September 30, 2012, our premium equivalents, revenue and EBITDA were $54,549,000, $30,102,000 and $3,551,000, respectively, representing a 42.6%, 38.2% and 89.8% increase compared to premium equivalents, revenues and EBITDA of $38,257,000, $21,788,000 and $1,871,000, respectively, for the nine months ended September 30, 2011. See "Selected Historical Financial and Operational Data" for a discussion regarding the use of premium equivalents and EBITDA as financial measures and for reconciliations to the most directly comparable GAAP financial measures.

Health Insurance Industry and Market Opportunity

We believe ongoing changes in the health insurance industry will expand and reshape our target market. For example, the Patient Protection and Affordable Care Act, or PPACA, and the Health Care and Education Reconciliation Act of 2010, or HCERA, which we refer to, collectively, as Healthcare Reform, were signed into law on March 23, 2010. After facing a number of legal challenges, Healthcare Reform was upheld by the U.S. Supreme Court on June 28, 2012. Healthcare Reform includes a mandate requiring individuals to carry health insurance or face tax penalties; a mandate that certain employers with over 50 employees offer their employees group health insurance coverage or face tax penalties; prohibitions against insurance companies that offer traditional IMM insurance plans using pre-existing health conditions as a reason to deny an application for health insurance; and medical loss ratio, or MLR, requirements that require each health insurance carrier to spend a certain percentage of its IMM premium revenue on reimbursement for clinical services and activities that improve healthcare quality.

According to a 2011 McKinsey survey, the implementation of Healthcare Reform will likely increase the number of Americans in the individual health insurance market from 14 million to more than 100 million starting in 2014. We believe this increase will be primarily driven by two key factors: employers dropping group coverage and an additional 45 million uninsured Americans entering the individual insurance market. The McKinsey survey estimates that approximately 30% of employers would "definitely" or "probably" drop employer-sponsored insurance starting in 2014. The estimated penalty employers will face for not providing their employees coverage is $2,000 per employee for employers with over 50 employees (there is no penalty for employers with less than 50 employees), which is significantly less than the estimated price currently paid for employee coverage ($9,000 to $14,000 per employee). Assuming a 30% drop in employer-sponsored insurance, approximately 50 million Americans would join the individual health insurance market starting in 2014. In addition, because Americans will face penalties if they are uninsured, we expect that a large number of the

current uninsured population of 50 million will enter the individual health insurance market. Accordingly, after 2014, we expect that the individual health insurance market will grow more than 600% to over 100 million policyholders, representing annual individual aggregate health insurance premiums in the United States of approximately $361 billion, compared with approximately $50 billion in 2010.

We believe certain dynamics in the health insurance industry present an opportunity to increase our market share in the individual health insurance market. For example, the minimum MLR thresholds require that IMM carriers use 80% of all premiums collected to pay claims. This has significantly reduced distributor commission rates on traditional IMM policies, forcing many distributors to abandon the traditional face-to-face IMM sales model. Starting in 2014, IMM carriers will also be subject to a pre-existing condition mandate, requiring them to accept all customers regardless of their pre-existing conditions. This "must-carry" pre-existing conditions requirement will further increase the costs of IMM coverage. Unlike traditional IMM plans, our STM products are exempt from the minimum MLR thresholds and "must-carry" pre-existing conditions requirements under Healthcare Reform, allowing us to offer attractive distributor commission rates while providing affordable products for individuals. In addition, Healthcare Reform also requires that states establish health insurance exchanges where uninsured individuals can select and purchase health insurance plans. We believe that these exchanges will further the transition from group-based insurance coverage to individual health insurance coverage, and that our STM products will be an attractive option in the non-subsidized exchange environment. Moreover, consumers are increasingly accessing the Internet to find affordable health insurance solutions. The current number of Internet users in the United States continues to grow and, according to a report published by Pew Research Center, represented 74% of the population in 2010. In addition, according to the same report, 33% of Internet users in 2010 looked online for information related to health insurance. This represents approximately 75 million Americans who used the Internet to access information related to health insurance in 2010.

We intend to aggressively pursue opportunities to help consumers identify our STM products as the right choice for healthcare coverage, and we believe our technology platform, product focus and industry expertise will allow us to gain an increasing share of this growing market.

Our Solutions

We believe that our products address a significant portion of the issues facing the healthcare system in the United States and improve access to coverage for certain underserved segments of the population.

Lack of Access to Health Insurance. Due to the streamlined underwriting process for our STM plans, we are able to provide an instant decision regarding acceptance. Individuals applying for STM coverage only have to answer an abbreviated, online questionnaire regarding the status of their health to screen for risks that cannot be supported by the rate structure and design of the plan before a decision is generated. We also offer hospital indemnity plans under which members are paid fixed dollar amounts by procedure or service according to a defined schedule which includes doctor visits, lab tests, surgeries and hospitalizations. As these plans are not based on an individual' s health status, they guarantee issuance to individuals under the age of 65 and provide a viable coverage alternative for otherwise uninsurable individuals.

Growing Number of Uninsured and Underinsured Americans. We focus on the large and under-penetrated segment of the U.S. population that is uninsured or underinsured. According to the U.S. Census Bureau, 16% of Americans were uninsured in 2011, representing approximately 50 million individuals. In addition, the percentage of non-elderly Americans with employer-sponsored insurance decreased from 68% in 2000 to 59% in 2009, driving more Americans into the individual health insurance market. The number of uninsured and underinsured Americans continues to grow in part due to reductions in employer-provided health benefits.

High Cost of Health Insurance. We offer affordable alternatives to IMM. According to the U.S. Census Bureau, approximately 34 million of the 50 million uninsured Americans in 2011 were members of families with annual incomes of less than $50,000. Based on these figures, we estimate that a sizable portion of the uninsured population chooses not to purchase insurance primarily due to its high cost. According to a 2010 Kaiser Family Foundation survey, traditional IMM premiums increased an average of approximately 20% over a12-month period, while the cost of our STM plans remained stable. In addition, as a result of Healthcare Reform, IMM premiums are expected to increase significantly in price as a result of guaranteed issue requirements for individuals with pre-existing health conditions. For individuals with pre-existing conditions, we currently offer guaranteed-issue hospital indemnity plans and, only where required by state mandate, STM plans. The implementation of Healthcare Reform will not expand our coverage of such individuals, allowing us to continue to offer attractive distributor commission rates while providing affordable products for members.

Our Competitive Strengths

We have the following key competitive strengths that we believe collectively provide significant barriers to entry:

Value Generated for All Key Constituents. By combining extensive management experience with our technology platform, we have developed a business model that we believe enables us to create a "win-win" proposition for our key constituents.

Our Carriers. We offer carriers access to a large member base, substantially all of which has no covered pre-existing conditions. Our technology platform connects our carriers directly to a large independent distribution network. Our platform also provides our carriers access to real-time sales and membership data. We use this information to assist our carriers in designing products that cater to their target populations. We currently utilize several carrier companies, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA among others. Our management team has long-standing relationships with most of the major carrier companies we utilize and has not lost a carrier relationship in over 10 years.

Our Distributors. At a time when commission rates on many health insurance products, including traditional IMM plans, are declining, we provide our distributors with specialized, highly sought-after product offerings and a compensation structure characterized by attractive commission rates and advance payments. We believe our long-standing relationships with most of the major carriers we utilize, as well as our technology platform, which enables real-time underwriting decisions, immediate sales conversions and access to commission data and selling tools, drive demand for distributors to partner with us. We also offer a turnkey solution that allows us to design products that best meet our distributors' needs. This solution enables us to assist our distributors in choosing between insurance carriers on a single website and allows them to create customized products for their customers by bundling our STM and hospital indemnity products with our various ancillary products into one package. As of September 30, 2012, we utilized a network of 32 licensed agent call centers and 248 wholesalers that work with over 7,300 licensed brokers nationally.

Our Members. We provide our members with easy access to health insurance coverage at an affordable price. For qualifying individuals, our STM plans offer benefits comparable to traditional IMM plans at approximately half the cost. For example, according to a 2010 Kaiser Family Foundation survey, the average cost for an IMM plan is $3,606 for an individual and $7,102 for a family. However, the average cost for one of our 12-month STM plans is $1,800 for an individual and $3,600 for a family. Our technology platform allows our members to compare and quote prices for a broad spectrum of STM and hospital indemnity products and, after they have made informed purchase decisions, to buy and print policies online. In addition to STM and hospital indemnity plans, we allow our members the

opportunity to purchase high quality ancillary products with automatic, monthly renewals at rates that fit our members' budgets, all at the click of a button. For example, in September 2012, in addition to the 5,489 STM plans that we sold, we successfully cross-sold 3,008 new ancillary products that month.

Proprietary, Web-Based Technology Platform. We believe our technology platform represents a distinct competitive advantage as it reduces the need for customer care agents and provides significant operating leverage as we add members and product offerings. Our primary technology platform is named A.R.I.E.S. (Automated Real-Time Integrated E System). We believe our business benefits from the increasing trend of Internet use by individuals to research and purchase health insurance. The Internet offers a means of providing individuals access to health insurance products 24 hours a day, seven days a week and, for the carriers and distributors, reduces the cost and time associated with marketing, selling, underwriting and administering these products. We believe our target market is increasingly researching and applying for health insurance products online and shifting away from more traditional buying patterns. We believe our technology platform positions us for strong continued growth due to the following factors:

Plan and Product Design. Our technology platform provides real-time data that enables us, our carriers and our distributors to receive immediate information on our members, and allows us to design products that meet the changing demands of the market. Our platform also allows individuals to supplement our STM and hospital indemnity offerings with ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/critical illness plans and makes it possible for us to instantly offer these products, which can be bundled to fit member needs.

Sales. Our technology platform combined with our customer service model drives faster sale conversions. The entire underwriting procedure is processed through our technology platform, which uses abbreviated, online health questionnaires and provides an immediate accept or reject decision, allowing for instant electronic fulfillment. Individuals can obtain full access to our technology platform through our distribution partners and can price products, buy policies and print their policy documents and identification cards anytime, anyplace. Our call centers use our technology platform to, among other functions, perform online, real-time electronic quoting, to process electronic applications and to provide instant electronic approval and fulfillment, back-office administrative support and commission reporting.

Distribution. Our technology platform allows for low cost mass distribution of our products and provides significant operating leverage. Our automated payment system allows us to collect credit card and ACH payments electronically and directly from members and to disburse commission payments to our distributors in advance, weekly or monthly. In addition, the system provides distributors with direct access to commission statements, selling tools, reporting tools (for example, information as to cancelations, failed credit card and ACH payments and persistency, renewal and cross-sell rates) and custom links to support their business.

Compliance. In addition to our A.R.I.E.S. platform, we have obtained a license to use a technology platform called HiiVe, which we use to implement a highly automated compliance program that has enhanced quality while minimizing overhead and allowed us to offer higher commissions to our distributors. The compliance program enables us to record each enrollment phone call, retrieve archived calls within seconds and score calls based on script adherence.

Established Long-Standing Insurance Carrier Relationships. Our access to carriers is essential to our business. Our management team has developed close relationships with the senior management teams of many of our insurance carriers, some lasting over 15 years. Our management team has not lost a carrier relationship in over 10 years. We believe that the nature of our relationships with our insurance carriers, combined with our product knowledge and technology platform, allow us to provide value-added products to our members.

Extensive Long-Term Relationships with Licensed Insurance Distributors. We believe our product expertise, our relationships with multiple insurance carriers, our focus on compliance and our technology platform make us a partner of choice for our distributors. We offer an appealing, incentive-based compensation structure that we believe drives demand for distributors to partner with us. We have extensive knowledge of the individual health insurance products that we design and administer, which allows us to assist our distribution partners in placing business. Our management team has built a broad distribution network and continuously adds new distributors. As of September 30, 2012, we utilized a network of 32 licensed agent call centers and 248 wholesalers that work with over 7,300 licensed brokers. Over the last 12 months, we added over 3,700 licensed brokers, 10 independent licensed broker call centers and 59 wholesalers to our national distributor network.

Seasoned Management Team. Our management team has substantial experience and long-standing relationships developed over an average of 25 years in the insurance industry. Our management team draws on its industry experience to identify opportunities to expand our business and collaborate with insurance carriers and distributors to help develop products and respond to market trends. In addition, the majority of our management team has worked together under the leadership of Michael W. Kosloske, our Chairman, President, and Chief Executive Officer, for more than a decade.

Our Strategy

Our objective is to continue to expand our business and increase our presence in the affordable, web-based health insurance solutions market. Our principal strategies to meet this objective are:

Expand and Enhance Distributor Relationships, Distribution Channels and Lead Generation Methods. We believe we will continue to attract new distributors as the insurance marketplace continues to evolve, and we intend to continue to identify large distributor and lead relationships through the following strategies:

Advance Commission Structure. We will continue to focus on attracting additional distributors through expansion of our advance commission structure. We believe distributors increasingly demand alternative methods to fund the large and growing costs of lead generation. We estimate that these costs usually range from $2 to $20 per lead and represent a significant startup cost for our distributors. We are in the process of growing our advance commission structure, whereby we pay distributors commissions on policies sold in advance of when they would ordinarily be due to the distributor. Commissions are advanced for up to six months and are made to distributors with an established track record of selling our products. In return, we reduce subsequent commission fees payable to the distributor by up to 2% of premiums for each month that we advance commissions. We believe this structure will assist our distributors in funding their lead generation costs and will provide us with a competitive advantage in attracting and retaining distributors and will increase sales.

Call Centers. We believe we can grow our distribution network organically by developing call center managers and incentivizing them via attractive commissions. As part of this strategy, we assist in enhancing the sales model of many of our current call centers in order to increase efficiencies and maximize returns, and we established our Insurance Academy in June 2012 to expand the number of call centers selling our products. We anticipate that our Insurance Academy operations will closely resemble a "franchise model," in that we will provide the tools (sales scripts, key metrics, lead programs, compensation programs, technology systems, etc.) for building a profitable and successful call center that focuses on selling our products and leverages our technology. Our goal is to assist in the training of owners and managers, who in return agree to enter into long-term agreements with us, under which they are required to market our products. We anticipate establishing relationships with 10 to 20 new call centers per year through our Insurance Academy initiative. We believe that this will enhance our ability to convert leads from our current distribution channels into sales.

Lead Generation and Innovative Distributor Relationships. We will continue to identify large and innovative distributor and lead relationships that we believe will increase revenue and diversify distribution. For example, in September 2012, we entered into an agreement whereby MasterCard, through its approved pre-paid card member networks, will assist us in targeting and acquiring new relationships or "leads" for marketing our products. Upon notification from MasterCard of a prospective lead, we will negotiate a separate referral fee arrangement with MasterCard at which point such prospective lead will be identified to us. We will then attempt to enter into an agreement with the prospective lead under which it will provide us with a list of its customers who hold MasterCard prepaid cards or it will directly market our products to those customers on our behalf. Our first agreement under this arrangement is with KEEPS America LLC, or KEEPS, for our prescription benefits cards. When sending their own pre-paid cards to customers, KEEPS includes our prescription benefits cards in the mailing. If the KEEPS customer uses our card, we pay KEEPS and MasterCard referral fees in connection with the distribution. To further expand our lead generation efforts, we will also continue to explore methods of screening member data for key demographic factors to identify populations for whom our products are well suited.

Increase Sales of Hospital Indemnity and Ancillary Products. We believe we have a significant opportunity to expand our market share in the hospital indemnity market. Our hospital indemnity plans in force have remained relatively stable with approximately 7,000 plans in force at December 31, 2010 and 5,841 plans in force at September 30, 2012. After the implementation of Healthcare Reform in 2014, we expect hospital indemnity plans to be increasingly used to supplement high deductible plans. In addition, our technology platform enables us to sell ancillary products that carry higher profit margins than our core STM products and that can be issued to a broader population than STM plans. Our members demand a wide range of ancillary products, including pharmacy benefit cards and dental, cancer and critical illness plans. Ancillary product policies in force grew from zero at December 31, 2010 to 23,040 at September 30, 2012. We believe we are well-positioned to take advantage of these additional opportunities at the time of sale.

Enhance Product and Name Recognition. We are focused on increasing our marketing efforts to consumers. We intend to aggressively pursue opportunities to help consumers identify our products as the right choice for health insurance coverage. We are pursuing multiple avenues to increase our name awareness among distributors, carriers and our target market, such as through our arrangement with MasterCard that introduces our products and name to MasterCard' s large pre-paid card member networks.

Develop and Establish New and Specialized Products to Meet Consumer Needs. We plan to continue to develop and add new products to our existing portfolio of offerings. By leveraging our technology platform member data, feedback gathered by customer service agents and distributors and expertise in plan design, we believe we are well-positioned to design and bundle products that meet customer needs and add a viable source of revenue for us, our distributors and our carriers. For example, in June 2012, we introduced our cancer plan. We sold 517 of these policies in the first month, and we are currently developing new products, including fully-insured prescription cards.

Class A Common Stock and Class B Common Stock

After completion of this offering, our outstanding capital stock will consist of Class A common stock and Class B common stock. Investors in this offering will hold shares of Class A common stock. See "Description of Capital Stock."

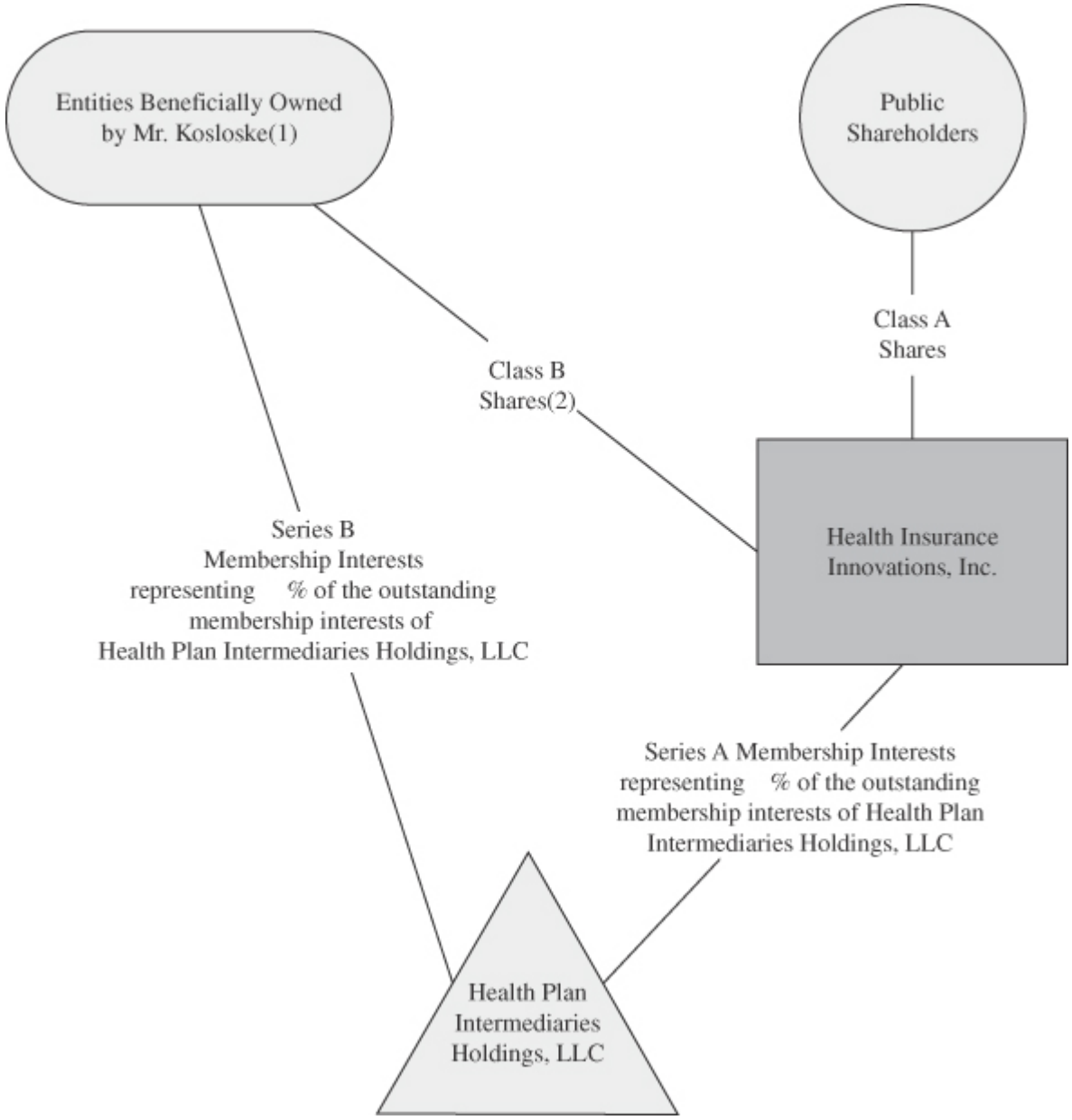
Our History and the Reorganization of Our Corporate Structure

We began operations in 2008, and historically, our business was operated through Health Plan Intermediaries, LLC. On September 28, 2011, we entered into an agreement to purchase the units of Health Plan Intermediaries, LLC owned by Naylor Group Partners, LLC for $5,330,000 plus closing costs of $135,000 . Prior to the purchase, which we refer to as the Acquisition, Health Plan Intermediaries, LLC was 50% owned by Naylor Group Partners, LLC and 50% owned by our Chairman, President and Chief Executive Officer, Mr. Kosloske. Following the purchase, Mr. Kosloske became the sole member of Health Plan Intermediaries, LLC.

In anticipation of this offering, on November 7, 2012, Health Plan Intermediaries, LLC assigned the operating assets of our business through a series of transactions to Health Plan Intermediaries Holdings, LLC, and Health Plan Intermediaries Holdings, LLC assumed the operating liabilities of Health Plan Intermediaries, LLC.

Health Insurance Innovations, Inc. was incorporated in the State of Delaware on October 26, 2012 for the purpose of this offering and has engaged to date only in activities in contemplation of this offering. Upon completion of the offering, Health Insurance Innovations, Inc. will be a holding company the principal asset of which will be its interest in Health Plan Intermediaries Holdings, LLC. That interest will represent approximately % of the economic interests in Health Plan Intermediaries Holdings, LLC, assuming the underwriters do not exercise their over-allotment option. All of our business will be conducted through Health Plan Intermediaries Holdings, LLC. Health Insurance Innovations, Inc. will be the sole managing member of Health Plan Intermediaries Holdings, LLC and will therefore control Health Plan Intermediaries Holdings, LLC. Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC (a subsidiary of Health Plan Intermediaries, LLC that was formed on October 31, 2012 in connection with this offering), entities beneficially owned by Mr. Kosloske, will collectively own all of the balance of the economic interests in Health Plan Intermediaries Holdings, LLC. As a holding company, our only source of cash flow from operations will be distributions from Health Plan Intermediaries Holdings, LLC. See “The Reorganization of Our Corporate Structure.” After completion of this offering, Health Insurance Innovations, Inc. will be a “controlled company” under the listing rules of the NASDAQ Global Market.

The diagram below shows our organizational structure immediately after completion of this offering and the reorganization described under "The Reorganization of Our Corporate Structure."



(1) The members of Health Plan Intermediaries Holdings, LLC, other than us, will include Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske.

(2) Class B shares do not entitle their holders to any dividends paid by, or rights upon liquidation of, Health Insurance Innovations, Inc.

Risk Factors

Before you invest in our stock, you should carefully consider all the information in this prospectus, including matters set forth under the heading "Risk Factors." We believe the primary risks to our business are:

the decrease in demand for our products;

the inability to retain our members;

loss of our relationships with insurance carriers, failure to maintain good relationships with insurance carriers, becoming dependent upon a limited number of insurance carriers or failure to develop new relationships with insurance carriers;

loss of our relationships with distributors, failure to maintain good relationships with distributors, becoming dependent upon a limited number of distributors or failure to develop new relationships with distributors;

the reduction of the commissions paid to us or changes in plan pricing practices in ways that reduce the commissions paid to us;

changes and developments in the health insurance system in the United States, particularly relating to the implementation of Healthcare Reform, that could harm our business;

the ability to maintain and enhance our name recognition ; and

our ability to build the necessary infrastructure and processes to maintain effective controls over financial reporting.

Corporate Information

We lease our principal executive offices located at 15438 N. Florida Avenue, Suite 201, Tampa, Florida, 33613 and our telephone number is (877) 376-5831. We also maintain an Internet site at www.hiiquote.com. Our website and the information contained therein or connected thereto is not incorporated into this prospectus or the registration statement of which it forms a part.

THE OFFERING

Class A common stock offered	shares
Class A common stock to be outstanding after this offering	shares (or shares if each outstanding Series B Membership Interest was exchanged for one share of Class A common stock, as described under "The Reorganization of Our Corporate Structure−Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC").
Over-allotment option	shares
Class B common stock to be outstanding after this offering	shares. Following this offering, shares of our Class B common stock will be issued in connection with, and in equal proportion to, issuances of Series B Membership Interests of Health Plan Intermediaries Holdings, LLC. Each Series B Membership Interest of Health Plan Intermediaries Holdings, LLC, together with a share of our Class B common stock, will be exchangeable for one share of Class A common stock, as described under "The Reorganization of Our Corporate Structure−Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC."
Voting rights	Each share of our Class A common stock and Class B common stock will entitle its holder to one vote on all matters to be voted on by stockholders. Holders of Class A common stock and holders of Class B common stock will vote together as a single class on all matters presented to stockholders for their vote or approval, except as otherwise required by law. After completion of this offering, Mr. Kosloske will beneficially own none of our outstanding Class A common stock and % of the total number of shares of our outstanding Class B common stock, and will have effective control over the outcome of votes on all matters requiring approval by our stockholders.
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million, or approximately $ million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $ per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses. Each $1 increase (decrease) in the public offering price per share would increase (decrease) our net proceeds, after deducting estimated underwriting discounts and commissions, by $ million (assuming no exercise of the underwriters' over-allotment option). We intend to use a portion of the net proceeds of this offering to repay all of the outstanding debt under our term loan and our revolving credit facility, which we intend to terminate

	immediately following the completion of this offering. We anticipate that we will use the remaining net proceeds of this offering to provide the funds necessary to expand our advance commission structure and for general corporate purposes, including potential acquisitions that are complementary to our business or that enable us to enter new markets or provide new products or services. If the underwriters exercise their over-allotment option, we intend to use the net proceeds from the sale of such shares to acquire Series B Membership Interests, together with an equal number of shares of our Class B common stock, from Health Plan Intermediaries, LLC, which is controlled by Mr. Kosloske (which Series B Membership Interests will immediately be recapitalized into Series A Membership Interests). See "Use of Proceeds."
Dividend policy	We do not anticipate paying dividends. "See Dividend Policy."
Risk Factors	For a discussion of certain factors you should consider before making an investment, see "Risk Factors."
NASDAQ Global Market stock symbol	HIIQ

Unless the context requires otherwise, the number of shares to be outstanding after completion of this offering is based on shares of Class A common stock and shares of Class B common stock outstanding as of September 30, 2012 after giving pro forma effect to the reorganization transactions described under "The Reorganization of Our Corporate Structure" and the application of the net proceeds of this offering described under "Use of Proceeds," but excludes:

- shares of Class A common stock that are issuable upon exchanges of Series B Membership Interests (and an equal number of our Class B common shares) that will be outstanding immediately after the completion of this offering;
- unvested restricted stock awards to Michael D. Hershberger, our Chief Financial Officer, of which we expect shares of Class A common stock to vest by . See "Executive Compensation−Restricted Stock Agreements;"
- the exercise by the underwriters of their over-allotment option to purchase additional shares of our Class A common stock, which, if exercised, would decrease the number of Class B shares outstanding by an equal number.

SUMMARY FINANCIAL AND OPERATIONAL DATA

The following summary financial and operational data of Health Plan Intermediaries, LLC should be read in conjunction with, and are qualified by reference to, "Unaudited Pro Forma Financial Information," "Selected Historical Financial and Operational Data," "Management' s Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and notes thereto included elsewhere in this prospectus. The statements of operations for the nine-month period ended Septemeber 30, 2012 (Successor), the three-month period ended December 31, 2011 (Successor), the nine-month period ended September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor) and the balance sheet data as of September 30, 2012 (Successor) and December 31, 2011 (Successor) are derived from, and qualified by reference to, the audited consolidated financial statements of Health Plan Intermediaries, LLC included elsewhere in this prospectus and should be read in conjunction with those financial statements and notes thereto. Results for the nine-month period ended September 30, 2012 are not necessarily indicative of results that may be expected for the entire year.

The summary unaudited pro forma financial data for the year ended December 31, 2011 and for the nine months ended September 30, 2012 have been prepared to give pro forma effect to all of the reorganization transactions described under "The Reorganization of Our Corporate Structure" and this offering and the application of the net proceeds from this offering as if they had been completed as of January 1, 2011 with respect to the unaudited pro forma statements of operations and as of September 30, 2012 with respect to the unaudited pro forma balance sheet data . These data are subject and give effect to the assumptions and adjustments described in the notes accompanying the unaudited pro forma financial statements included elsewhere in this prospectus. The summary unaudited pro forma financial data are presented for informational purposes only and should not be considered indicative of actual results of operations that would have been achieved had the reorganization transactions and this offering been consummated on the dates indicated, and do not purport to be indicative of statements of financial condition data or results of operations as of any future date or for any future period.

	Pro Forma As Adjusted		Historical				
	Nine Months Ended September 30, 2012	Year Ended December 31, 2011	Nine Months Ended September 30, 2012	Three Months Ended December 31, 2011	Nine Months Ended September 30, 2011	Year Ended December 31, 2011	Year Ended December 31, 2010
		(Combined) (Non-GAAP)	(Successor)	(Successor)	(Predecessor)	(Combined) (Non-GAAP)	(Predecessor)
Statements of Operations:							
			(in thousands, except plans in force)				
Revenues			$ 30,102	$ 8,090	$ 21,788	$ 29,878	$ 11,790
Third-party commissions			20,093	5,601	16,103	21,704	9,010
Credit cards and ACH fees			693	197	473	670	275
General and administrative expenses			5,786	1,421	3,341	4,762	2,514
Depreciation and amortization			771	269	29	298	7
Total operating costs and expenses			27,343	7,488	19,946	27,434	11,806
Income (loss) from operations			2,759	602	1,842	2,444	(16)
Other expenses (income):							
Interest expense			194	71	–	71	–
Interest income			–	–	–	–	(3)

Other income			(21)	–	–	–	–
Net income (loss)			$ 2,586	$ 531	$ 1,842	$ 2,373	$ (13)
Net loss attributable to noncontrolling interest in subsidiary			$ (63)	$ –	$ –	$ –	$ –
Net income (loss) attributable to Health Plan Intermediaries, LLC			$ 2,649	$ 531	$ 1,842	$ 2,373	$ (13)
Other Financial and Operational Data:							
Premium equivalents(1)			$ 54,549	$ 14,949	$ 38,257	$ 53,206	$ 20,024
Plans in force (end of period)(2)			53,297	29,951	22,847	29,951	13,121
EBITDA(3)			$ 3,551	$ 871	$ 1,871	$ 2,742	$ (9)

(1) "Premium equivalents" is defined as the combination of premiums, fees for discount benefit plans, fees for distributors and our enrollment fees. Premium equivalents does not represent, and should not be considered as, an alternative to revenues, as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. We have included premium equivalents in this prospectus because it is a key measure used by our management to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, the inclusion of premium equivalents can provide a useful measure for period-to-period comparisons of our business. Premium equivalents has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. See "Management Discussion and Analysis of Financial Condition and Results of Operations–Key Business Metrics."

The following is a reconciliation of premium equivalents to revenues:

	Nine Months Ended September 30, 2012	Three Months Ended December 31, 2011	Nine Months Ended September 30, 2011	Year Ended December 31, 2011	Year Ended December 31, 2010
	(Successor)	(Successor)	(Predecessor)	(Combined) (Non-GAAP)	(Predecessor)
	(in thousands)				
Premium equivalents	$ 54,549	$ 14,949	$ 38,257	$ 53,206	$ 20,024
Less risk premium	(23,296)	(6,380)	(15,180)	(21,560)	(7,616)
Less amounts earned by third-party obligors	(1,151)	(479)	(1,289)	(1,768)	(618)
Revenues	$ 30,102	$ 8,090	$ 21,788	$ 29,878	$ 11,790

(2) "Plans in force" is defined as policies or discount benefit plans issued to a member for which we have collected the applicable premium payments and/or discount benefit fees. A member may be enrolled in more than one policy or discount benefit plan simultaneously. See "Management Discussion and Analysis of Financial Condition and Results of Operations–Key Business Metrics."

(3) "EBITDA" is defined as net income before interest expense, interest income and depreciation and amortization. EBITDA does not represent, and should not be considered as, an alternative to net income or cash flows from operations, each as determined in accordance with U.S. GAAP. We have presented EBITDA because we consider it an important supplemental measure of our performance and believe that it is frequently used by analysts, investors and other interested parties in the evaluation of companies. Other companies may calculate EBITDA differently than we do. EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. See "Management Discussion and Analysis of Financial Condition and Results of Operations–Key Business Metrics."

The following is a reconciliation of net income (loss) to EBITDA:

	Pro Forma As Adjusted		Historical				
	Nine Months Ended September 30, 2012	Year Ended December 31, 2011	Nine Months Ended September 30, 2012	Three Months Ended December 31, 2011	Nine Months Ended September 30, 2011	Year Ended December 31, 2011	Year Ended December 31, 2010
		(Combined) (Non-GAAP)	(Successor)	(Successor)	(Predecessor)	(Combined) (Non-GAAP)	(Predecessor)
			(in thousands)				
Net Income (loss)			$ 2,586	$ 531	$ 1,842	$ 2,373	$ (13)
Interest expense			194	71	–	71	–
Interest income			–	–	–	–	(3)
Depreciation and amortization			771	269	29	298	7
EBITDA			$ 3,551	$ 871	$ 1,871	$ 2,742	$ (9)

	As of September 30,		As of December 31, 2011
	2012 Pro Forma	2012	
		(in thousands)	
Balance Sheet Data:			
Cash	$	$982	$ 618
Total assets		17,542	15,068
Debt, noncompete obligation and capital leases		4,340	4,078
Total member' s stockholders' equity		6,869	6,996

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the following risks and all of the other information set forth in this prospectus before deciding to invest in shares of our Class A common stock. If any of the following risks actually occur, our business, financial condition or results of operations would likely suffer. In such case, the trading price of our Class A common stock could decline due to any of these risks, and you may lose all or part of your investment.

Risks Relating to Our Business and Industry

The market for health insurance in the United States is rapidly evolving, which makes it difficult to forecast demand for our products.

The market for health insurance in the United States is rapidly evolving. Accordingly, our future financial performance will depend in part on growth in this market and on our ability to adapt to emerging demands in this market. We believe demand for our products has been driven in large part by recent regulatory changes, broader use of the Internet and advances in technology. It is difficult to predict with any precision the future growth rate and size of our target market. The rapidly evolving nature of the market in which we operate, as well as other factors that are beyond our control, reduce our ability to evaluate accurately our long-term outlook and forecast annual performance. A reduction in demand for our products caused by lack of acceptance, technological challenges, competing offerings or other factors would result in a lower revenue growth rate or decreased revenue, either of which could negatively impact our business and results of operations. In addition, our business, financial condition and results of operations may be adversely affected if Healthcare Reform is not implemented in accordance with our expectations and we cannot successfully execute our growth strategies. For example, our STM plans are currently classified as "short-term limited duration" plans under Healthcare Reform. Accordingly, "short-term limited duration" plans are exempt under Healthcare Reform from the minimum MLR thresholds and "must-carry" pre-existing conditions requirements, the requirements for the extension of dependent coverage, certain documentation, reporting and appeals process requirements and the prohibitions against excessive waiting periods, lifetime or annual limits, rescissions and more generally, discrimination against individuals and discrimination on the provision of health care. If our STM plans were no longer classified as short-term limited duration plans, or we were not able to take advantage of certain current exemptions for any other reason, our business could be negatively affected.

If we are unable to retain our members, our business and results of operations would be harmed.

Our revenue is primarily derived from commissions that insurance carriers pay to us for the health insurance plans and products that we market and that remain in effect. When one of these plans or products is cancelled, or if we otherwise do not remain the administrator of record on the policy, we no longer receive the related commission revenue. Members may choose to discontinue their insurance policies for a number of reasons. For example, members may determine that they cannot afford our products or may decide not to renew their policies due to future increases in premiums. In addition, our members may choose to purchase new plans or products using a different administrator if, for example, they are not satisfied with our customer service or the plans or products that we offer. Further, members may discontinue their policies because they no longer need STM insurance because, for example, they have received coverage through an employer or spouse. Insurance carriers may also terminate health insurance plans or products purchased by our members for a variety of reasons. Our cost in acquiring a new member is substantially greater than the cost involved in maintaining our relationship with an existing member. If we are not able to successfully retain existing members and limit member turnover, our revenue and operating margins could be adversely affected.

Our business would be harmed if we lose our relationships with insurance carriers, fail to maintain good relationships with insurance carriers, become dependent upon a limited number of insurance carriers or fail to develop new relationships with insurance carriers.

We typically enter into contractual agency relationships with insurance carriers that are non-exclusive and terminable on short notice by either party for any reason. In many cases, insurance carriers also have the ability to amend the terms of our agreements unilaterally on short notice. Insurance carriers may be unwilling to underwrite our health insurance plans or products or may amend our agreements with them for a variety of reasons, including for competitive or regulatory reasons. Insurance carriers may decide to rely on their own internal distribution channels, including traditional in-house agents, carrier websites or other sales channels, or to market their own plans or products, and, in turn, could limit or prohibit us from marketing their plans or products. Insurance carriers may decide not to underwrite insurance plans or products in the individual health insurance market in certain geographies or altogether. The termination or amendment of our relationship with an insurance carrier could reduce the variety of health insurance plans or products we offer. We also could lose a source of, or be paid reduced commissions for, future sales and could lose renewal commissions for past sales. Our business could also be harmed if we fail to develop new carrier relationships or are unable to offer members a wide variety of health insurance plans and products.

The private health insurance industry in the United States has experienced substantial consolidation over the past several years, resulting in a decrease in the number of insurance carriers. For example, for the nine months ended September 30, 2012, Starr Indemnity & Liability Company accounted for 50% of our premium equivalents and United States Fire (a member of the Crum & Forster group) accounted for 25% of our premium equivalents. In the future, it may become necessary for us to offer insurance plans and products from a reduced number of insurance carriers or to derive a greater portion of our revenue from a more concentrated number of carriers as our business and the health insurance industry evolve. Each of these insurance carriers may terminate our agreements with them, and, in some cases, as a result of the termination we may lose our right to receive future commissions for policies we have sold. In addition, one or more of our carrier companies could experience a failure of its business due to a decline in sales volumes, unavailability of reinsurance, failure of business strategy or otherwise. Should our dependence on a smaller number of insurance carriers increase, whether as a result of the termination of carrier relationships, further insurance carrier consolidation, business failure, bankruptcy or any other reason, we may become more vulnerable to adverse changes in our relationships with our carriers, particularly in states where we offer health insurance plans and products from a relatively small number of carriers or where a small number of insurance carriers dominate the market. The termination, amendment or consolidation of our relationships with our insurance carriers could harm our business, results of operations and financial condition.

Our business would be harmed if we lose our relationships with distributors, fail to maintain good relationships with distributors, become dependent upon a limited number of distributors or fail to develop new relationships with distributors.

We depend on distributors to sell our products. We typically enter into contractual agency relationships with distributors that are non-exclusive and terminable on short notice by either party for any reason. In many cases, distributors also have the ability to amend the terms of our agreements unilaterally on short notice. Distributors may be unwilling to sell our health insurance plans or products or may amend our agreements with them for a variety of reasons, including for competitive or regulatory reasons. For example, distributors may decide to sell plans and products that bring them a higher commission than our plans and products or may decide not to sell STM plans at all. Because we rely on a diverse distributor network to sell our products, any loss of relationships with distributors or failure to maintain good relationships with distributors could harm our business, results of operations and financial condition. Further, we believe that we must grow our distributor network in order to achieve our growth plans. If we are unable to grow our distributor network and develop new relationships with distributors, our revenue could be adversely impacted.

We depend on relationships with third-parties for certain services that are important to our business. An interruption or cessation of such services by any third party could have a material adverse effect on our business.

We depend on a number of third-party relationships to enhance our business. For instance, state regulations may require that individuals enroll in group programs or associations in order to access certain insurance products, benefits and services. We have entered into relationships with such associations in order to provide individuals access to our products. For example, we have an agreement with Med-Sense Guaranteed Association, or Med-Sense, a non-profit association that provides membership benefits to individuals and gives members access to certain of our products. Under the agreement, we primarily market membership in the association and collect certain fees and dues on its behalf. In return, we have sole access to its membership list, and Med-Sense exclusively endorses the insurance products that we offer. Members of the association are given access to a wide variety of our products that are otherwise unavailable to non-members. For the month of September 2012, approximately 81.7% of our business was derived from individuals who became members of Med-Sense. We intend to establish an affiliation with Savers Choice of America, an association offering similar benefits, as an alternative to Med-Sense. We intend to have several of our carriers issue policies to Savers Choice of America members beginning in January 2013. While we believe we could replace Med-Sense with other group programs or associations, there can be no assurance we could find such a replacement on a timely basis or at all. If we were to lose our relationship with Med-Sense and were unable to find another group program or association on a timely basis or at all, this would have a material adverse effect on our business.

In addition, we develop and maintain strategic relationships with our partners in order for them to market our products to their end users. While we have entered into agreements with certain partners pursuant to which our products may be made available to their end-users, such agreements are not exclusive and generally do not obligate the partner to market or distribute our service. For example, we have entered into an agreement with MasterCard whereby MasterCard, through its approved pre-paid card member networks, will assist us in targeting and acquiring new leads for marketing our products. Under such agreement, MasterCard will use good-faith efforts to identify prospective leads.

Our ability to offer our services and operate our business is therefore dependent on maintaining our relationships with third-party partners, particularly Med-Sense, and entering into new relationships to meet the changing needs of our business. Any deterioration in our relationships with such partners, or our failure to enter into agreements with partners in the future would harm our business, results of operations and financial condition. If our partners are unable or unwilling to provide the services necessary to support our business, or if our agreements with such partners are terminated, our operations could be significantly disrupted. We may also incur substantial costs, delays and disruptions to our business in transitioning such services to ourselves or other third-party partners. In addition, third-party partners may not be able to provide the services required in order to meet the changing needs of our business.

Insurance carriers could reduce the commissions paid to us or change their plan pricing practices in ways that reduce the commissions paid to us, which could harm our revenue and results of operations.

Our commission rates are negotiated between us and each carrier. Insurance carriers have altered, and may in the future alter, the contractual relationships we have with them, either by renegotiation or unilateral action. Also, insurance carriers may adjust their commission rates to comply with regulatory guidelines. If these contractual changes result in reduced commissions, our revenue may decline. For example, on June 1, 2011, we entered into a new contract with Starr Indemnity & Liability Company which replaced a previous contract with Starr Global Accident and Health Insurance Agency, LLC to provide similar services for slightly lower commission rates. The reduced commissions had no material impact on our revenue or results of operations, however, as the contract also provided for additional administrative fees paid to us to offset the lower commission rates.

In addition, insurance carriers periodically adjust the premiums they charge to individuals for their insurance policies. These premium changes may cause members to cancel their existing policies and purchase a replacement policy from a different insurance carrier, either through our platform or through another administrator. We may receive a reduced commission or no commission at all when a member purchases a replacement policy. Also, because insurance rates may vary between insurance carriers, plans and enrollment dates, changes in our enrollment mix may impact our commission revenue. Future changes in carrier pricing practices could harm our business, results of operations and financial condition.

We face intense competition and compete with a broad range of market participants within the health insurance industry. If competition increases, our growth and profits may decline.

The market for selling individual health insurance and ancillary products is highly competitive and, except for regulatory considerations, there are limited barriers to entry. Currently, we believe the cost-effective, high-quality STM solutions that we distribute to the individual health insurance market are somewhat rare among our competitors. However, if we achieve our goal of becoming a leader in the distribution of individual health insurance products, we believe that competition for our business model will substantially increase. Because the barriers to entry in our markets are not substantial and members have the flexibility to select new health insurance providers, we believe that the addition of new competitors, or the adoption of our business model by existing competitors, may occur relatively quickly.

We compete with entities and individuals that offer and sell products similar to ours utilizing traditional distribution channels, including insurance agents and brokers across the United States who sell health insurance products in their communities. Some local agents use "lead aggregator" services that use the Internet to find individuals interested in purchasing health insurance and are compensated for referring those individuals to a traditional insurance agent. In addition to health insurance brokers and agents, many insurance carriers directly market and sell their plans and products to individuals through call centers and their own websites. Although we offer health insurance plans and products for many of these insurance carriers, they also compete with us by offering their plans and products directly to individuals or may elect to compete with us by offering their plans and products directly to individuals in the future. We may not be able to compete successfully against our current or future competitors. Some of our current and potential competitors have longer operating histories in the health insurance industry, access to larger customer bases, greater name recognition and significantly greater financial, technical, marketing and other resources than we do. As compared to us, our current and future competitors may be able to:

undertake more extensive marketing campaigns for their brands and services;

devote more resources to website and systems development;

negotiate more favorable commission rates; and

attract potential employees, marketing partners and third-party service providers.

Further, there are many alternatives to the individual health insurance products that we currently provide. We can make no assurances that we will be able to compete effectively with the various individual health insurance products that are currently available or may become available in the future. Competitive pressures may result in our experiencing increased marketing costs and loss of market share, or may otherwise harm our business, results of operations and financial condition.

Changes and developments in the health insurance system in the United States, in particular the implementation of Healthcare Reform, could harm our business.

Our business depends upon the private sector of the U.S. insurance system, its role in financing healthcare delivery, and insurance carriers' use of, and payment of commissions to, agents, brokers and other organizations to market and sell health insurance plans and products.

Healthcare Reform contains provisions that have changed and will continue to change the industry in which we operate in substantial ways. Many aspects of Healthcare Reform do not take effect until 2014, although certain provisions currently are effective, such as medical loss ratio requirements for individual, family and small business health insurance and a prohibition against using pre-existing health conditions as a reason to deny health coverage for children. In addition, state governments have adopted, and will continue to adopt, changes to their existing laws and regulations in light of Healthcare Reform and related regulations. Future changes may not be beneficial to us.

Notwithstanding the recent U.S. Supreme Court decision largely upholding the constitutionality of Healthcare Reform, certain key members of Congress have expressed a desire to withhold the funding necessary to implement Healthcare Reform as well as the desire to repeal or amend all or a portion of Healthcare Reform. Any partial or complete repeal or amendment or implementation difficulties, or uncertainty regarding such events, could increase our costs of compliance and adversely affect our results of operations and financial condition. The implementation of Healthcare Reform could have negative effects on us, including:

- increasing our competition;
- reducing or eliminating the need for health insurance agents and brokers and/or demand for the health insurance that we sell through the manner in which the federal government and the states implement health insurance exchanges and the process for receiving subsidies and cost-sharing credits;
- decreasing the number of types of health insurance plans and products that we sell, as well as the number of insurance carriers offering such plans and products;
- causing insurance carriers to change the benefits and/or premiums for the plans and products they sell;
- causing insurance carriers to reduce the amount they pay for our services or change their relationships with us in other ways;
- causing STM to not qualify as adequate healthcare coverage, resulting in STM policyholders having to pay the government a penalty or tax;
- causing STM policies to be subject to MLR threshold requirements; or
- causing STM policies to be subject to “must carry” pre-existing condition requirements.

Any of these effects could materially harm our business, results of operations and financial condition. For example, the manner in which the federal government and the states implement Healthcare Reform could substantially increase our competition and member turnover and substantially reduce the number of individuals who purchase insurance through us. Various aspects of Healthcare Reform could cause insurance carriers to limit the type of health insurance plans and products we are able to sell and the geographies in which we are able to sell them. Changes in the law could also cause insurance carriers to exit the business of selling insurance plans and products in a particular jurisdiction, to eliminate certain categories of products or to attempt to move members into new plans and products for which we receive lower commissions. If insurance carriers decide to limit our ability to sell their plans and products or determine not to sell individual health insurance plans and products altogether, our business, results of operations and financial condition would be materially harmed.

Compliance with the strict regulatory environment applicable to the health insurance industry and the specific products we sell is difficult and costly. If we fail to comply with the numerous laws and regulations that are applicable to our business, our business and results of operations would be harmed.

The health insurance industry is heavily regulated by each state in the United States. For instance, state regulators require us to maintain a valid license in each state in which we transact health insurance business and further require that we adhere to sales, documentation and administration practices specific to each state. In addition, each distributor who transacts health insurance business on our behalf must maintain a valid license in one or more states. Because we do business in the majority of states and the District of Columbia, compliance

with health insurance-related laws, rules and regulations is difficult and imposes significant costs on our business. Each jurisdiction' s insurance department typically has the power, among other things, to:

- grant and revoke licenses to transact insurance business;
- conduct inquiries into the insurance-related activities and conduct of agents and agencies;
- require and regulate disclosure in connection with the sale and solicitation of health insurance;
- authorize how, by which personnel and under what circumstances insurance premiums can be quoted and published and an insurance policy sold;
- determine which entities can be paid commissions from carriers;
- regulate the content of insurance-related advertisements, including web pages;
- approve policy forms, require specific benefits and benefit levels and regulate premium rates;
- impose fines and other penalties; and
- impose continuing education requirements on agents and employees.

Although we believe we are currently in compliance with applicable insurance laws and regulations, due to the complexity, periodic modification and differing interpretations of insurance laws and regulations, we may not have always been, and we may not always be, in compliance with such laws and regulations. Failure to comply could result in significant liability, additional department of insurance licensing requirements or the revocation of licenses in a particular jurisdiction, which could significantly reduce our revenue, increase our operating expenses, prevent us from transacting health insurance business in a particular jurisdiction and otherwise harm our business, results of operations and financial condition. Moreover, an adverse regulatory action in one jurisdiction could result in penalties and adversely affect our license status or reputation in other jurisdictions due to the requirement that adverse regulatory actions in one jurisdiction be reported to other jurisdictions. Even if the allegations in any regulatory or other action against us are proven false, any surrounding negative publicity could harm member, distributor or health insurance carrier confidence in us, which could significantly damage our reputation . Because some members, distributors and health insurance carriers may not be comfortable with the concept of purchasing health insurance using the Internet, any negative publicity may affect us more than it would others in the health insurance industry and would harm our business, results of operations and financial condition.

In addition, we may in the future receive inquiries from state insurance regulators regarding our marketing and business practices. We may modify our practices in connection with any such inquiry. Any modification of our marketing or business practices in response to future regulatory inquiries could harm our business, results of operations or financial condition.

Regulation of the sale of health insurance is subject to change, and future regulations could harm our business and results of operations.

The laws and regulations governing the offer, sale and purchase of health insurance are subject to change, and future changes may be adverse to our business. For example, once health insurance pricing is set by the carrier and approved by state regulators, it is fixed and not generally subject to negotiation or discounting by insurance companies or agents. Additionally, state regulations generally prohibit carriers, agents and brokers from providing financial incentives, such as rebates, to their members in connection with the sale of health insurance. As a result, we do not currently compete with carriers or other agents and brokers on the price of the health insurance products offered on our website. We are also currently allowed to base our revenue structure on various commissions and fees, including commissions from insurance premiums and enrollment, monthly administrative fees and discount benefit fees. However, future laws and regulations could negatively adjust the commissions and fees we receive. If current laws or regulations change, we could be forced to reduce prices, commissions and fees or provide rebates or other incentives for the health insurance products sold through our online platform, which would harm our business, results of operations and financial condition.

Because we use the Internet as our distribution platform, we are subject to additional insurance regulatory risks. In many cases, it is not clear how existing insurance laws and regulations apply to Internet-related health insurance advertisements and transactions. To the extent that new laws or regulations are adopted that conflict with the way we conduct our business, or to the extent that existing laws and regulations are interpreted adversely to us, our business, results of operations and financial condition would be harmed.

Our business may not grow if individuals are not informed about the availability and accessibility of affordable health insurance.

Numerous health insurance plans and products are available to individuals in any given market. Most of these plans and products vary by price, benefits and other policy features. Health insurance terminology and provisions are often confusing and difficult to understand. As a result, researching, selecting and purchasing health insurance can be a complex process. We believe that this complexity has contributed to a perception held by many individuals that individual health insurance is prohibitively expensive and difficult to obtain. If individuals are not informed about the availability and accessibility of affordable health insurance, our business may not grow and our results of operations and financial condition would be harmed.

Changes in the quality and affordability of the health insurance plans and products that carriers offer to us for sale through our technology platform could harm our business and results of operations.

The demand for health insurance marketed through our technology platform is affected by, among other things, the variety, quality and price of the health insurance plans and products we offer. If health insurance carriers do not continue to allow us to sell a variety of high-quality, affordable health insurance plans and products in our markets, or if their offerings are limited or terminated as a result of consolidation in the health insurance industry, the implementation of Healthcare Reform or otherwise, our sales may decrease and our business, results of operations and financial condition would be harmed.

If we are not able to maintain and enhance our name recognition, our business and results of operations will be harmed.

We believe that maintaining and enhancing our name recognition is critical to our relationships with existing members, distributors and carriers and to our ability to attract new members, distributors and carriers. The promotion of our name may require us to make substantial investments and we anticipate that, as our market becomes increasingly competitive, these marketing initiatives may become increasingly difficult and expensive. Our marketing activities may not be successful or yield increased revenue, and to the extent that these activities yield increased revenue, the increased revenue may not offset the expenses we incur and our results of operations could be harmed. If we do not successfully maintain and enhance our name recognition, our business may not grow and we could lose our relationships with carriers, distributors and/or members, which would harm our business, results of operations and financial condition.

In addition, we cannot be certain of the impact of media coverage on our business. If it were to be reduced, the number of distributors selling our products could decrease, and our cost of acquiring members could increase, both of which could harm our business, results of operations and financial condition.

If individuals or carriers opt for more traditional or alternative channels for the purchase and sale of health insurance, our business will be harmed.

Our success depends in part upon widespread individual and carrier acceptance of the Internet as a marketplace for the purchase and sale of health insurance. Individuals and carriers may choose to depend more on traditional sources, such as individual agents, or alternative sources may develop, including as a result of Healthcare Reform. Our future growth, if any, will depend in part upon:

- the growth of the Internet as a commerce medium generally, and as a market for individual health insurance plans and services specifically;

individuals' willingness to conduct their own health insurance research;

our ability to make the process of purchasing health insurance online an attractive alternative to traditional and new means of purchasing health insurance;

our ability to successfully and cost-effectively market our services as superior to traditional or alternative sources for health insurance to a sufficiently large number of individuals; and

carriers' willingness to use us and the Internet as a distribution channel for health insurance plans and products.

If individuals and carriers determine that other sources of health insurance and health insurance applications are superior, our business will not grow and our results of operations and financial condition would be harmed.

Any legal liability, regulatory penalties, or negative publicity for the information on our platform or that we otherwise distribute or provide will likely harm our business and results of operations.

We provide information on our platform, through our call center partners and in other ways regarding health insurance in general and the health insurance plans and products we market and sell, including information relating to insurance premiums, coverage, benefits, provider networks, exclusions, limitations, availability, plan comparisons and insurance company ratings. A significant amount of both automated and manual effort is required to maintain the considerable amount of insurance plan information on our platform. We also regularly provide health insurance plan information in the scripts used by our customer call center partners. If the information we provide on our platform, through our customer call center partners or otherwise is not accurate or is construed as misleading, or if we do not properly assist individuals and businesses in purchasing health insurance, members, carriers and others could attempt to hold us liable for damages, our relationships with carriers could be terminated and regulators could attempt to subject us to penalties, revoke our licenses to transact health insurance business in a particular jurisdiction, and/or compromise the status of our licenses to transact health insurance business in other jurisdictions, which could result in our loss of our commission revenue. In the ordinary course of operating our business, we have received complaints that the information we provided was not accurate or was misleading. Although in the past we have resolved these complaints without significant financial cost, we cannot guarantee that we will be able to do so in the future. In addition, these types of claims could be time-consuming and expensive to defend, could divert our management' s attention and other resources and could cause a loss of confidence in our services. As a result, these claims could harm our business, results of operations and financial condition.

In the ordinary course of our business, we may receive inquiries from state regulators relating to various matters. We may in the future become involved in litigation in the ordinary course of our business. If we are found to have violated laws or regulations, we could lose our relationship with carriers and be subject to various fines and penalties, including revocation of our licenses to sell insurance, and our business, results of operations and financial condition would be materially harmed. We would also be harmed to the extent that related publicity damages our reputation as a trusted source of information relating to health insurance and its affordability. It could also be costly to defend ourselves regardless of the outcome. As a result, inquiries from regulators or our becoming involved in litigation could adversely affect our business, results of operations and financial condition.

If we do not continue to attract new individual customers, we may not achieve our revenue projections, and our results of operations would be harmed.

In order to grow our business, we must continually attract new distributors and individual customers. Our ability to do so depends in large part on the success of our sales and marketing efforts. Potential individual customers may seek out other options for purchasing insurance. Therefore, we must demonstrate that our products provide a viable solution for individual customers to obtain high quality coverage at an attractive price and provide a valuable business opportunity to our distributors. If we fail to provide high quality solutions and convince individual customers and distributors of our value proposition, we may not be able to retain existing

customers or attract new individual customers. Additionally, there is no guarantee that the market for our services will grow as we expect. If the market for our services declines or develops more slowly than we expect, or if the number of individual customers or distributors that use our solutions declines or fails to increase as we expect, our revenue, results of operations, financial condition, business and prospects could be harmed.

Advance commission arrangements between us and some of our distributors expose us to the credit risks of such distributors and may increase our costs and expenses, which could in turn have an adverse effect on our business, financial condition, and results of operations.

We make advance commission payments to some of our licensed distributors in order to assist them with the cost of lead acquisition. As of September 30, 2012, we had prepayment balances for advance commissions in a total amount of approximately $300,000 under such contracts. Part of our strategy is to expand the practice of paying advance commissions, so we expect such balance to increase significantly in the future. In all such cases where we make advance commission payments, we receive collateral and personal guarantees. At a minimum, our collateral includes a claim against all future compensation owed to the distributor for all products sold. As a result, our claims for such payments would rank as secured claims. Depending on the amount of future compensation owed to the distributor, we could be exposed to the credit risks of our distributors in the event of their insolvency or bankruptcy. Where the amount owed to us exceeds the value of the collateral, our claims against the defaulting distributors would rank below those of other secured creditors, which would undermine our chances of obtaining the return of our advance commission payments. We may not be able to recover such advance payments and we may suffer losses should the distributors fail to fulfill their sales obligations under the contracts. Accordingly, any of the above scenarios could harm our business, results of operations and financial condition.

Seasonality may cause fluctuations in our financial results.

The number of member enrollments through our technology platform has generally increased in our third fiscal quarter. Conversely, we have generally experienced a decline in member enrollments in our fourth fiscal quarter. Although we believe that these trends may be influenced by an increase in new enrollments of college graduates in the third quarter and a decrease in new enrollments due to call center closures and reduced operating hours in the fourth quarter, we believe that the sale of health insurance plans and products through the Internet is still in its early stages, and, therefore, the reasons for these seasonal patterns are not entirely apparent. As the use of the Internet for the purchase and sale of health insurance becomes more widely accepted, other seasonality trends may develop and the existing seasonality and member behavior that we experience may change. Any seasonality that we experience may cause fluctuations in our financial results.

If we are unable to successfully introduce new technology solutions or services or fail to keep pace with advances in technology, our business, financial condition and results of operations will be adversely affected.

Our business depends on our ability to adapt to evolving technologies and industry standards and introduce new technology solutions and services accordingly. If we cannot adapt to changing technologies, our technology solutions and services may become obsolete, and our business would suffer. Because the healthcare insurance market is constantly evolving, our existing technology may become obsolete and fail to meet the requirements of current and potential members. Our success will depend, in part, on our ability to continue to enhance our existing technology solutions and services, develop new technology that addresses the increasingly sophisticated and varied needs of our members and respond to technological advances and emerging industry standards and practices on a timely and cost-effective basis. The development of our online platform entails significant technical and business risks. We may not be successful in developing, using, marketing, or maintaining new technologies effectively or adapting our technology to evolving customer requirements or emerging industry standards, and, as a result, our business and reputation could suffer. We may not be able to introduce new technology solutions on schedule, or at all, or such solutions may not achieve market acceptance. We also engage third-party vendors to develop, maintain and enhance our technology solutions, and our ability to develop and

implement new technologies is therefore dependent on our ability to engage suitable vendors. We may also need to license software or technology from third parties in order to maintain, expand or modify our technology platform. However, there is no guarantee we will be able to enter into such agreements on acceptable terms or at all. Moreover, competitors may develop competitive products that could adversely affect our results of operations. A failure by us to introduce new solutions or to introduce these solutions on schedule could have an adverse effect on our business, financial condition and results of operations.

Our failure to obtain, maintain and enforce the intellectual property rights on which our business depends could have a material adverse effect on our business, financial condition and results of operations.

We rely upon intellectual property laws in the United States, and non-disclosure, confidentiality and other types of agreements with our employees, members and other parties, to establish, maintain and enforce our intellectual property and proprietary rights. However, any of our owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed or misappropriated, our trade secrets and other confidential information could be disclosed in an unauthorized manner to third-parties, or our intellectual property rights may not be sufficient to permit us to take advantage of current market trends or otherwise to provide us with competitive advantages, which could result in costly redesign efforts, discontinuance of certain offerings or other competitive harm. Efforts to enforce our intellectual property rights may be time consuming and costly, distract management' s attention and resources and ultimately be unsuccessful. In addition, such efforts may result in our intellectual property rights being challenged, limited in scope, or declared invalid or unenforceable. Moreover, our failure to develop and properly manage new intellectual property could adversely affect our market positions and business opportunities.

We may not be able to obtain, maintain and enforce the intellectual property rights that may be necessary to protect and grow our business and to provide us with a meaningful competitive advantage. Also, some of our business and services may rely on technologies and software developed by or licensed from third-parties, and we may not be able to maintain our relationships with such third-parties or enter into similar relationships in the future on reasonable terms or at all. Our failure to obtain, maintain and enforce our intellectual property rights could therefore have a material adverse effect on our business, financial condition and results of operations.

Assertions by third-parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Third-parties may claim that we, our members, our licensees or parties indemnified by us are infringing upon or otherwise violating their intellectual property rights. Such claims may be made by competitors seeking to obtain a competitive advantage or by other parties. Additionally, in recent years, individuals and groups have begun purchasing intellectual property assets for the purpose of making claims of infringement and attempting to extract settlements from companies like ours. Any claims that we violate a third-party' s intellectual property rights can be time consuming and costly to defend and distract management' s attention and resources, even if the claims are without merit. Such claims may also require us to redesign affected products and services, enter into costly settlement or license agreements or pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or providing the affected products and services. Even if we have an agreement to indemnify us against such costs, the indemnifying party may be unable to uphold its contractual obligations. If we cannot or do not license the infringed technology at all, license the technology on reasonable terms or substitute similar technology from another source, our revenue and earnings could be adversely impacted.

In addition, we may use open source software in connection with our products and services. Companies that incorporate open source software into their products have, from time to time, faced claims challenging the ownership of open source software and/or compliance with open source license terms. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software or noncompliance with open source licensing terms. Some open source software licenses require users who distribute open source software as part of their software to publicly disclose all or part of the source code to such software and/or make

available any derivative works of the open source code on unfavorable terms or at no cost. Any requirement to disclose our proprietary source code or pay damages for breach of contract could have a material adverse effect on our business, financial condition and results of operations.

Assertions by third-parties that we violate their intellectual property rights could therefore have a material adverse effect on our business, financial condition and results of operations.

If we fail to effectively manage our growth, our business and results of operations could be harmed.

We have expanded our operations significantly since 2008. This has increased the significant demands on our management, our operational and financial systems and infrastructure and other resources. If we do not effectively manage our growth, the quality of our services could suffer. In order to successfully expand our business, we must effectively integrate, develop and motivate new employees, and we must maintain the beneficial aspects of our corporate culture. We may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs and successfully integrate our new hires, our efficiency and ability to meet our forecasts and our employee morale, productivity and retention could suffer, and our business and results of operations could be harmed. We also need to continue to improve our existing systems for operational and financial management, including our reporting systems, procedures and controls. These improvements could require significant capital expenditures and place increasing demands on our management. We may not be successful in managing or expanding our operations or in maintaining adequate financial and operating systems and controls. If we do not successfully manage these processes, our business and results of operations will be harmed.

If we are unable to maintain a high level of service, our business and prospects may be harmed.

One of the key attributes of our business is providing high quality service to our carriers, distributors and members. We may be unable to sustain these levels of service, which would harm our reputation and our business. Alternatively, we may only be able to sustain high levels of service by significantly increasing our operating costs, which would materially adversely affect our results of operations. The level of service we are able to provide depends on our personnel to a significant extent. Our personnel must be well-trained in our processes and able to handle customer calls effectively and efficiently. Any inability of our personnel to meet our demand, whether due to absenteeism, training, turnover, disruptions at our facilities, bad weather, power outages or other reasons, could adversely impact our business. If we are unable to maintain high levels of service performance, our reputation could suffer and our results of operations and prospects would be harmed.

We are subject to privacy and data protection laws governing the transmission, security and privacy of health information, which may impose restrictions on the manner in which we access personal data and subject us to penalties if we are unable to fully comply with such laws.

Numerous federal, state and international laws and regulations govern the collection, use, disclosure, storage and transmission of individually identifiable health information. These laws and regulations, including their interpretation by governmental agencies, are subject to frequent change. These regulations could have a negative impact on our business, for example:

- The Health Insurance Portability and Accountability Act, or HIPAA, and its implementing regulations were enacted to ensure that employees can retain and at times transfer their health insurance when they change jobs, and to simplify healthcare administrative processes. The enactment of HIPAA also expanded protection of the privacy and security of personal health information and required the adoption of standards for the exchange of electronic health information. Among the standards that the Department of Health and Human Services has adopted pursuant to HIPAA are standards for electronic transactions and code sets, unique identifiers for providers, employers, health plans and individuals, security, electronic signatures, privacy and enforcement. Failure to comply with HIPAA could result in fines and penalties that could have a material adverse effect on us.

The federal Health Information Technology for Economic and Clinical Health Act, or the HITECH Act, enacted as part of the American Recovery and Reinvestment Act of 2009, also known as the "Stimulus Bill," effective February 22, 2010, sets forth health information security breach notification requirements and increased penalties for violation of HIPAA. The HITECH Act requires individual notification for all breaches, media notification of breaches of over 500 individuals and at least annual reporting of all breaches to the Department of Health and Human Services. The HITECH Act also replaced the prior penalty system of one tier of penalties of $100 per violation and an annual maximum of $25,000 with a four-tier system of sanctions for breaches. Penalties now range from the original $100 per violation and an annual maximum of $25,000 for the first tier to a fourth-tier minimum of $50,000 per violation and an annual maximum of $1.5 million. Failure to comply with the HITECH Act could result in fines and penalties that could have a material adverse effect on us.

Other federal and state laws restricting the use and protecting the privacy and security of individually identifiable information may apply, many of which are not preempted by HIPAA.

Federal and state consumer protection laws are increasingly being applied by the United States Federal Trade Commission, or FTC, and states' attorneys general to regulate the collection, use, storage and disclosure of personal or individually identifiable information, through websites or otherwise, and to regulate the presentation of website content.

We are required to comply with federal and state laws governing the transmission, security and privacy of individually identifiable health information that we may obtain or have access to in connection with the provision of our services. Despite the security measures that we have in place to ensure compliance with privacy and data protection laws, our facilities and systems, and those of our third-party vendors and subcontractors, are vulnerable to security breaches, acts of vandalism or theft, computer viruses, misplaced or lost data, programming and human errors or other similar events. Due to the recent enactment of the HITECH Act, we are not able to predict the extent of the impact such incidents may have on our business. Our failure to comply may result in criminal and civil liability because the potential for enforcement action against business associates is now greater. Enforcement actions against us could be costly and could interrupt regular operations, which may adversely affect our business. While we have not received any notices of violation of the applicable privacy and data protection laws and believe we are in compliance with such laws, there can be no assurance that we will not receive such notices in the future.

Under the HITECH Act, as a business associate we may also be liable for privacy and security breaches and failures of our subcontractors. Even though we provide for appropriate protections through our agreements with our subcontractors, we still have limited control over their actions and practices. A breach of privacy or security of individually identifiable health information by a subcontractor may result in an enforcement action, including criminal and civil liability, against us.

In addition, numerous other federal and state laws protect the confidentiality of individually identifiable information as well as employee personal information, including state medical privacy laws, state social security number protection laws, and federal and state consumer protection laws. These various laws in many cases are not preempted by HIPAA and may be subject to varying interpretations by the courts and government agencies, creating complex compliance issues for us and our members and potentially exposing us to additional expense, adverse publicity and liability, any of which could adversely affect our business.

Our business is subject to online security risks, and if we are unable to safeguard the security and privacy of confidential data, our reputation and business will be harmed.

Our services involve the collection and storage of confidential information of members and the transmission of this information to carriers. For example, we collect names, addresses, social security, bank account and credit card numbers, and information regarding the medical history of members in connection with their applications for insurance. In certain cases such information is provided to third-parties, for example to the service providers who provide hosting services for our technology platform, and we may therefore be unable to control the use of

such information or the security protections employed by such third-parties. We may be required to expend significant capital and other resources to protect against security breaches or to alleviate problems caused by security breaches. Despite our implementation of security measures, techniques used to obtain unauthorized access or to sabotage systems change frequently. As a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. Any compromise or perceived compromise of our security (or the security of our third-party service providers who have access to our members' confidential information) could damage our reputation and our relationship with our members, distributors and carriers, could reduce demand for our services and could subject us to significant liability as well as regulatory action. In addition, in the event that new data security laws are implemented, or our carrier or other partners determine to impose new requirements on us relating to data security, we may not be able to timely comply with such requirements, or such requirements may not be compatible with our current processes. Changing our processes could be time consuming and expensive, and failure to timely implement required changes could result in our inability to sell health insurance plans and products in a particular jurisdiction or for a particular carrier, or subject us to liability for non-compliance.

Our services present the potential for embezzlement, identity theft or other similar illegal behavior by our employees or subcontractors with respect to third-parties.

Among other things, our services involve handling information from members, including credit card information and bank account information. Our services also involve the use and disclosure of personal information that could be used to impersonate third-parties or otherwise gain access to their data or funds. If any of our employees or subcontractors takes, converts or misuses such funds, documents or data, we could be liable for damages, and our business reputation could be damaged. In addition, we could be perceived to have facilitated or participated in illegal misappropriation of funds, documents or data and therefore be subject to civil or criminal liability. Any such illegal activity by our employees or subcontractors could have an adverse effect on our business, financial condition and results of operations.

System failures or capacity constraints could harm our business and results of operations.

The performance, reliability and availability of our technology platform, customer service call center and underlying network infrastructures are critical to our financial results and our relationship with members, distributors and insurance carriers. Although we regularly attempt to enhance and maintain our technology platform, customer service call center and system infrastructure, system failures and interruptions may occur if we are unsuccessful in these efforts or experience difficulties with transitioning existing systems to upgraded systems, if we are unable to accurately project the rate or timing of increases in our platform traffic or customer service call center call volume or for other reasons, some of which are completely outside our control. Significant failures and interruptions, particularly during peak enrollment periods, could harm our business, results of operations and financial condition.

We rely in part upon third-party vendors, including data center and bandwidth providers, to operate and maintain our technology platform. We cannot predict whether additional network capacity will be available from these vendors as we need it, and our network or our suppliers' networks might be unable to achieve or maintain a sufficiently high capacity of data transmission to allow us to process health insurance applications in a timely manner or effectively download data, especially if our platform traffic increases. Any system failure that causes an interruption in, or decreases the responsiveness of, our services could impair our revenue-generating capabilities, harm our image and subject us to potential liability. Our database and systems are vulnerable to damage or interruption from human error, earthquakes, fire, floods, power loss, telecommunications failures, physical or electronic break-ins, computer viruses, acts of terrorism, other attempts to harm our systems and similar events.

We depend upon third-parties, including telephone service providers and third-party software providers, to operate our customer service call center. Any failure of the systems upon which we rely in the operation of our

customer service call center could negatively impact sales as well as our relationship with members, which could harm our business, results of operations and financial condition.

We rely on third-party vendors to develop, host, maintain, service and enhance our technology platform.

We rely on third-party vendors to develop, host, maintain, support and enhance our technology platform. In particular, we are party to an agreement with BimSym eBusiness Solutions, Inc., or BimSym, pursuant to which BimSym provides various professional services relating to our A.R.I.E.S. technology platform, including hosting, support, maintenance and development services. Our ability to offer our services and operate our business is therefore dependent on maintaining our relationships with third-party vendors, particularly BimSym, and entering into new relationships to meet the changing needs of our business. Any deterioration in our relationships with such vendors, or our failure to enter into agreements with vendors in the future would harm our business, results of operations and financial condition. If our vendors are unable or unwilling to provide the services necessary to support our business, or if our agreements with such vendors are terminated, our operations could be significantly disrupted. We may also incur substantial costs, delays and disruptions to our business in transitioning such services to ourselves or other third-party vendors. In addition, third-party vendors may not be able to provide the services required in order to meet the changing needs of our business.

Carriers and distributors depend upon third-party service providers to access our online platform, and our business and results of operations could be harmed as a result of technical difficulties experienced by these service providers.

Carriers and distributors using our online platform depend upon Internet and other service providers for access to our platform. Many of these service providers have experienced significant outages, delays and other difficulties in the past and could experience them in the future. Any significant interruption in access to our technology platform or increase in our platform' s response time as a result of these difficulties could damage our relationship with carriers, distributors and existing and potential members and could harm our business, results of operations and financial condition.

Economic conditions and other factors beyond our control may negatively impact our business, results of operations and financial condition.

Our revenue depends upon demand for our insurance products, which can be influenced by a variety of factors beyond our control. We have no control over the economic and other factors that influence such demand. We cannot be certain of the future impact that the recent recession will have on our business. A further softening of demand for our products and the services offered by us, whether caused by changes in individual preferences or the regulated environment in which we operate, or by a weak economy, including as a result of recent disruptions in the global financial markets or a decrease in general consumer confidence, will result in decreased revenue and growth. Members may attempt to reduce expenses by canceling existing plans and products purchased through us, not purchasing new plans and products through us or purchasing plans with lower premiums for which we receive lower commissions. A continuing negative economic environment could also adversely impact the carriers whose plans and products are offered on our platform, and they may, among other things, determine to reduce their commission rates, increase premiums or reduce benefits, any of which could negatively impact our business, results of operations and financial condition.

To the extent the economy or other factors adversely impact our member retention, the number or type of insurance applications submitted through us and that are approved by carriers, or the commissions that we receive from carriers, our rate of growth will decline and our business and results of operations will be harmed.

The loss of any member of our management team and our inability to make up for such loss with a qualified replacement could harm our business.

Competition for qualified management in our industry is intense. Many of the companies with which we compete for management personnel have greater financial and other resources than we do or are located in geographic areas which may be considered by some to be more desirable places to live. If we are not able to retain any of our key management personnel, our business could be harmed.

We may make future acquisitions which may be difficult to integrate, divert management resources, result in unanticipated costs or dilute our stockholders.

Part of our continuing business strategy is to acquire or invest in, companies, products or technologies that complement our current products, enhance our market coverage, technical capabilities or production capacity, or offer growth opportunities. Future acquisitions could pose numerous risks to our operations, including:

- difficulty integrating the purchased operations, technologies or products;
- incurring substantial unanticipated integration costs;
- assimilating the acquired businesses may divert significant management attention and financial resources from our other operations and could disrupt our ongoing business;
- acquisitions could result in the loss of key employees, particularly those of the acquired operations;
- difficulty retaining or developing the acquired businesses' customers;
- acquisitions could adversely affect our existing business relationships with suppliers and members;
- failing to realize the potential cost savings or other financial benefits and/or the strategic benefits of the acquisitions; and
- incurring liabilities from the acquired businesses for infringement of intellectual property rights or other claims, and we may not be successful in seeking indemnification for such liabilities or claims.

In connection with these acquisitions or investments, we could incur debt, amortization expenses related to intangible assets, large and immediate write-offs, assume liabilities or issue stock that would dilute our current stockholders' percentage of ownership. We may not be able to complete acquisitions or integrate the operations, products or personnel gained through any such acquisition without a material adverse effect on our business, financial condition and results of operations.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company."

Following the completion of this offering, we will be required to comply with various regulatory and reporting requirements, including those required by the Securities and Exchange Commission (the "SEC"). Complying with these reporting and other regulatory requirements will be time-consuming and will result in increased costs to us and could have a negative effect on our business, financial condition and results of operations.

As a public company, we will be subject to the reporting requirements of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") and the requirements of the Sarbanes-Oxley Act of 2002 (as amended, the "Sarbanes-Oxley Act"). These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls

and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. Sustaining our growth also will require us to commit additional management, operational and financial resources to identify new professionals to join our company and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management' s attention from other business concerns, which could have a material adverse effect on our business, financial condition and results of operations.

As an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), we intend to take advantage of certain temporary exemptions from various reporting requirements, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. In addition, we have elected under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies.

When these exemptions cease to apply, we expect to incur additional expenses and devote increased management effort toward ensuring compliance with them. We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

Risks Related to Our Structure

We are a holding company and our only material asset after completion of the reorganization and this offering will be our interest in Health Plan Intermediaries Holdings, LLC and, accordingly, we are dependent upon distributions from Health Plan Intermediaries Holdings, LLC to pay taxes and other expenses.

We will be a holding company and will have no material assets other than our ownership of Series A Membership Interests of Health Plan Intermediaries Holdings, LLC. We will have no independent means of generating revenue. Health Plan Intermediaries Holdings, LLC will be treated as a partnership for U.S. federal income tax purposes and, as such, will not itself be subject to U.S. federal income tax. Instead, its net taxable income will generally be allocated to its members, including us, *pro rata* according to the number of membership interests each member owns. Accordingly, we will incur income taxes on our proportionate share of any net taxable income of Health Plan Intermediaries Holdings, LLC and also will incur expenses related to our operations. We intend to cause Health Plan Intermediaries Holdings, LLC to distribute cash to its members, including us, in an amount at least equal to the amount necessary to cover their respective tax liabilities, if any, with respect to their allocable share of the net income of Health Plan Intermediaries Holdings, LLC and to cover dividends, if any, declared by us, as well as any payments due under the tax receivable agreement, as described below. To the extent that we need funds to pay our tax or other liabilities or to fund our operations, and Health Plan Intermediaries Holdings, LLC is restricted from making distributions to us under applicable agreements, laws or regulations or does not have sufficient cash to make these distributions, we may have to borrow funds to meet these obligations and operate our business, and our liquidity and financial condition could be materially adversely affected. To the extent that we are unable to make payments under the income tax receivable agreement for any reason, such payments will be deferred and will accrue interest until paid.

We will be required to pay existing holders of Series B Membership Interests most of the tax benefits that we may receive as a result of the purchase of Series B Membership Interests with the net proceeds of the sale of any over-allotment shares, future exchanges of Series B Membership Interests for our Class A common stock and payments made under the tax receivable agreement itself, and the amounts we pay could be substantial.

We expect that the purchase of Series B Membership Interests (together with an equal number of shares of our Class B common stock) with the net proceeds of the sale of any over-allotment shares, as well as any future

exchanges of Series B Membership Interests (together with an equal number of shares of our Class B common stock) for shares of our Class A common stock, will result in increases in the tax basis in our share of the tangible and intangible assets of Health Plan Intermediaries Holdings, LLC. Any such increases in tax basis could reduce the amount of tax that we would otherwise be required to pay in the future.

We will enter into a tax receivable agreement with the other members of Health Plan Intermediaries Holdings, LLC (currently, Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske), pursuant to which we will pay them 85% of the amount of the cash savings, if any, in U.S. federal, state and local income tax that we realize (or are deemed to realize in the case of an early termination payment by us, a change in control or a material breach by us of our obligations under the tax receivable agreement, as discussed below) as a result of these possible increases in tax basis resulting from our purchases or exchanges of Series B Membership Interests as well as certain other benefits attributable to payments under the tax receivable agreement itself. Any actual increases in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, cannot be predicted reliably at this time. The amount of any such increases and payments will vary depending upon a number of factors, including the timing of exchanges, the price of our Class A common stock at the time of the exchanges, the amount, character and timing of our income and the tax rates then applicable. The payments that we may be required to make pursuant to the tax receivable agreement could be substantial for periods in which we generate taxable income. Assuming no material changes in the relevant tax law and based on our current operating plan and other assumptions, including our estimate of the tax basis of our assets as of , if we acquired all of the Series B Membership Interests in taxable transactions at the time of the closing of this offering for a price of $ (the midpoint of the range on the cover of this prospectus) per share, we estimate that the amount that we would be required to pay under the tax receivable agreement could be approximately $ million. The actual amount may materially differ from this hypothetical amount, as potential future payments will be calculated using the market value of our Class A common stock at the time of relevant exchange and prevailing tax rates in future years and will be dependent on us generating sufficient future taxable income to realize the benefit. See “The Reorganization of Our Corporate Structure−Tax Receivable Agreement.”

In addition, the tax receivable agreement will provide that in the case that we exercise our right to early termination of the tax receivable agreement or in the case of a change in control or a material breach by us of our obligations under the tax receivable agreement, the tax receivable agreement will terminate, and we will be required to make a payment equal to the present value of future payments under the tax receivable agreement, which payment would be based on certain assumptions, including those relating to our future taxable income. In these situations, our obligations under the tax receivable agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. These provisions of the tax receivable agreement may result in situations where Mr. Kosloske may have interests that differ from or are in addition to those of other shareholders. Because we are controlled by Mr. Kosloske, Mr. Kosloske will have effective control over the outcome of votes on all matters requiring approval by our stockholders and accordingly actions that affect such obligations under the tax receivable agreement may be taken even if other stockholders oppose them.

If the Internal Revenue Service successfully challenges the tax basis increases, we will not be reimbursed for any payments made under the tax receivable agreement (although future payments under the tax receivable agreement, if any, would be adjusted to reflect the result of any such successful challenge by the Internal Revenue Service). As a result, in certain circumstances, we could be required to make payments under the tax receivable agreement in excess of our cash tax savings.

We may not be able to realize all or a portion of the tax benefits that are expected to result from the purchase of Series B Membership Interests with the net proceeds of the sale of any over-allotment shares, future exchanges of Series B Membership Interests for our Class A common stock and payments made under the tax receivable agreement itself.

Our ability to benefit from any depreciation or amortization deductions or to realize other tax benefits that we currently expect to be available as a result of the increases in tax basis created by the purchase of Series B Membership Interests (together with an equal number of shares of our Class B common stock) with the net proceeds of the sale of any over-allotment shares, as well as any future exchanges of Series B Membership Interests (together with an equal number of shares of our Class B common stock) for our Class A common stock, and our ability to realize certain other tax benefits attributable to payments under the tax receivable agreement itself depend on a number of assumptions, including that we earn sufficient taxable income each year during the period over which such deductions are available and that there are no adverse changes in applicable law or regulations. Our pro forma balance sheet reflects a deferred tax asset, a corresponding liability for amounts due under the tax receivable agreement and an increase in stockholders' equity related to our 15% share of these expected benefits, but does not reflect future exchanges of Series B Membership Interests for our Class A common stock. If our actual taxable income were insufficient and/or there were adverse changes in applicable law or regulations, we may be unable to realize all or a portion of these expected benefits and our cash flows and stockholders' equity could be negatively affected. See "The Reorganization of Our Corporate Structure–Tax Receivable Agreement."

Risks Related to This Offering and Ownership of Our Class A Common Stock

There may not be an active, liquid trading market for our Class A common stock.

Prior to this offering, there has been no public market for shares of our Class A common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the NASDAQ Global Market or how liquid that market may become. If an active trading market does not develop, you may have difficulty selling any shares of our Class A common stock that you purchase. The initial public offering price of shares of our Class A common stock is, or will be, determined by negotiation between us and the underwriters and may not be indicative of prices that will prevail following the completion of this offering. The market price of shares of our Class A common stock may decline below the initial public offering price, and you may not be able to resell your shares of our Class A common stock at or above the initial public offering price.

We expect that our stock price will fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.

The trading price of our Class A common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and results of operations;
- our ability to satisfy our ongoing capital needs and unanticipated cash requirements, particularly with respect to our advance commissions structure;
- additional indebtedness incurred in the future;
- introduction of new products and services by us or our competitors;
- issuance of new or changed securities analysts' reports or recommendations;
- sales of large blocks of our stock;
- additions or departures of key personnel;
- regulatory developments;

litigation and governmental investigations; and

economic and political conditions or events.

These and other factors may cause the market price and demand for our Class A common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of Class A common stock and may otherwise negatively affect the liquidity of our Class A common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

The trading market for our Class A common stock will also be influenced by the research and reports that industry or securities analysts publish about us or our business. As a new public company, we do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our stock would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover us downgrades our stock, or if our results of operations do not meet their expectations, our stock price could decline.

If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline.

If our existing stockholders sell substantial amounts of our Class A common stock in the public market following this offering, the market price of our Class A common stock could decrease significantly. The perception in the public market that our existing stockholders might sell shares of Class A common stock could also depress our market price. Upon completion of this offering, we will have shares of Class A common stock outstanding. In addition, exercisable options for shares will be held by our employees under stock plans that we intend to adopt. Our executive officers and directors will be subject to the lock-up agreements described under "Underwriting," the Rule 144 holding period requirements described under "Shares Eligible for Future Sale" and the lock-up periods described under "Underwriting." After all of these lock-up periods have expired, the holding periods have elapsed and, in the case of restricted stock, the shares have vested, additional shares will be eligible for sale in the public market. The market price of shares of our Class A common stock may drop significantly when the restrictions on resale by our existing stockholders lapse. A decline in the price of shares of our Class A common stock might impede our ability to raise capital through the issuance of additional shares of our Class A common stock or other equity securities.

We are a "controlled company" within the meaning of the rules of the NASDAQ Global Market and, as a result, expect to qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Following the consummation of this offering, entities controlled by Michael W. Kosloske, our Chairman, President and Chief Executive Officer, will control a majority of the combined voting power of all classes of our voting stock. As a result, we expect to be a "controlled company" within the meaning of the corporate governance standards of the NASDAQ Global Market. Under NASDAQ Global Market rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

the requirement that a majority of the board of directors consist of independent directors;

the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee' s purpose and responsibilities;

the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee' s purpose and responsibilities; and

the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees.

Following this offering, we intend to utilize these exemptions if we continue to qualify as a "controlled company." If we utilize these exemptions we will not have a majority of independent directors and our nominating and corporate governance and compensation committees will not consist entirely of independent directors and such committees will not be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NASDAQ Global Market. See "Management−Controlled Company."

We are controlled by our existing owner, whose interests may differ from those of our public stockholders.

We are controlled by Mr. Kosloske, and after this offering will continue to be controlled by entities associated with Mr. Kosloske. After the completion of this offering, Mr. Kosloske will beneficially own in the aggregate approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares in full). As a result of this ownership, Mr. Kosloske will have effective control over the outcome of votes on all matters requiring approval by our stockholders, including the election of directors, the adoption of amendments to our certificate of incorporation and bylaws and approval of a sale of the company and other significant corporate transactions , including such corporate transactions that may affect our obligations under the tax receivable agreement. See "We will be required to pay existing holders of Series B Membership Interests most of the tax benefits that we may receive as a result of the purchase of Series B Membership Interests with the net proceeds of the sale of any over-allotment shares, future exchanges of Series B Membership Interests for our Class A common stock and payments made under the tax receivable agreement itself, and the amounts we pay could be substantial." Mr. Kosloske can also take actions that have the effect of delaying or preventing a change in control of us or discouraging others from making tender offers for our shares, which could prevent stockholders from receiving a premium for their shares. These actions may be taken even if other stockholders oppose them.

The market price of our Class A common stock could decline due to the large number of shares of Class A common stock eligible for future sale upon the exchange of Series B Membership Interests.

The market price of our Class A common stock could decline as a result of sales of a large number of shares of our Class A common stock eligible for future sale upon the exchange of Series B Membership Interests (together with an equal number of shares of our Class B common stock), or the perception that such sales could occur. These sales, or the possibility that these sales may occur, may also make it more difficult for us to raise additional capital by selling equity securities in the future, at a time and price that we deem appropriate.

After completion of this offering, approximately Series A Membership Interests and Series B Membership Interests of Health Plan Intermediaries Holdings, LLC will be outstanding. Each Series B Membership Interest, together with one share of our Class B common stock, will be exchangeable for one share of Class A common stock, as described under "The Reorganization of Our Corporate Structure−Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries, LLC." We will enter into a registration rights agreement with Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC pursuant to which we will grant them registration rights with respect to their shares of Class A common stock delivered in exchange for their Series B Membership Interests. See "The Reorganization of Our Corporate Structure−Registration Rights Agreement."

Some provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated bylaws may deter third-parties from acquiring us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide for, among other things:

- restrictions on the ability of our stockholders to fill a vacancy on the board of directors;
- prohibit stockholder action by written consent after the date on which Mr. Kosloske ceases to beneficially own at least a majority of all of the outstanding shares of our capital stock entitled to vote;
- prohibit cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of stock to elect some directors;
- provide that special meetings of stockholders may be called only by the board of directors, the chairman of the board of directors or the chief executive officer; provided, however, if Mr. Kosloske beneficially owns at least a majority of all of the outstanding shares of our capital stock entitled to vote, special meetings of stockholders may be called by the holders of a majority of the total voting power of our then outstanding capital stock;
- establish advance notice procedures for the nomination of candidates for election as directors or for proposing matters that can be acted upon at stockholder meetings;
- provide that on and after the date Mr. Kosloske collectively ceases to beneficially own a majority of all of the outstanding shares of our capital stock entitled to vote, (a) directors may be removed only for cause and only upon the affirmative vote of holders of at least 75% of all of the outstanding shares of our capital stock entitled to vote, and (b) certain provisions of our amended and restated certificate of incorporation may only be amended upon the affirmative vote of holders of at least 75% of all of the outstanding shares of our capital stock entitled to vote; and
- the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval.

After the completion of this offering, Mr. Kosloske will beneficially own in the aggregate approximately % of the combined voting power of our common stock (or % if the underwriters exercise their option to purchase additional shares in full).

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions that you desire.

We do not anticipate paying any cash dividends in the foreseeable future.

We currently intend to retain our future earnings, if any, for the foreseeable future, to repay indebtedness and to fund the development and growth of our business. We do not intend to pay any dividends to holders of our Class A common stock. As a result, capital appreciation in the price of our Class A common stock, if any, will be your only source of gain on an investment in our Class A common stock.

New investors in our Class A common stock will experience immediate and substantial book value dilution after this offering.

The initial public offering price of our Class A common stock will be substantially higher than the pro forma net tangible book value per share of the outstanding Class A common stock immediately after this offering. Based on an assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover of this prospectus) and our net tangible book value as of September 30, 2012, if you purchase our Class A common stock in this offering you will pay more for your shares than the amounts paid by our existing stockholders for their shares and you will suffer immediate dilution of approximately $ per share in pro forma net tangible book value. As a result of this dilution, investors purchasing stock in this offering may receive significantly less than the full purchase price that they paid for the shares purchased in this offering in the event of a liquidation.

We have identified a material weakness in our internal control over financial reporting that, if not corrected, could result in material misstatements in our financial statements.

In connection with the preparation of our financial statements for the periods ended December 31, 2011 and 2010 and for the nine-months ended September 30, 2012, we identified a certain matter involving our internal control over financial reporting that constitutes a material weakness under standards established by the Public Company Accounting Oversight Board, which we refer to as PCAOB. The PCAOB defines a material weakness as a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company' s annual or interim financial statements will not be prevented or detected on a timely basis.

We identified a material weakness where we did not have effective controls over the design and operation of the financial statement close process, which process impacts most of our significant accounts included in the financial statements. The deficiencies in the design and operation of the financial statement close process that resulted in the material weakness included the following:

- lack of a formal process for reviewing period-end cutoff of revenues and expenses to ensure amounts are captured in the period earned or incurred under the accrual basis of accounting;
- no process in place to ensure all expenses incurred during the period are accrued as of the month-end date, including expenses for which estimates are required;
- absence of a mechanism through which the accounting implications of significant or unusual events and transactions are formally evaluated; and
- no process to ensure formally executed agreements regarding all significant arrangements with third parties and others are obtained.

The material weakness affected the financial statements as of and for the year ended December 31, 2010, and we accordingly restated our previously issued financial statements as of and for the year ended December 31, 2010 to correct the identified errors resulting from the material weakness. For example, we identified errors in the presentation of revenues where certain amounts collected on behalf of contracted insurance carriers and discount benefit vendors should have been reported on a net basis, rather than as gross revenues and related costs. This change had no impact on net income (loss) from operations or net income. In addition, we identified errors in revenues and operating costs and expenses where revenues were recorded when cash was received, rather than when amounts were earned, and operating costs and expenses were recorded at the time of cash disbursement rather than when amounts were incurred. The cumulative effect of these errors was a decrease in income (loss) from operations and net income (loss) of approximately $691,000 for the year ended December 31, 2010. We also identified an error in accounting for the sale of units of Health Plan Intermediaries, LLC to the Naylor Group Partners, LLC in 2009. In connection with such sale, we had previously recognized an increase in basis of the assets, but the transaction should have been accounted for as an equity transaction with no increase in basis. This error accounted for substantially all of the change in member' s equity (deficit), beginning of period, December 31, 2010. The effect was a decrease in member' s equity (deficit), beginning of period, December 31, 2010, of approximately $1,153,000. The cumulative impact of the adjustments described above on our previously issued financial statements as of and for the year ended December 31, 2010 was a reduction of revenues of $3,186,000, a reduction of operating costs and expenses of $2,495,000, a reduction of net income of $691,000, a decrease in cash flows of $598,000 and a reduction in member' s equity of $1,823,000.

We are taking steps to address this material weakness by hiring additional personnel with technical accounting expertise and by implementing enhanced training for our finance and accounting personnel to familiarize them with our accounting policies. However, the material weakness will be ongoing until these controls are fully implemented and we will not be able to confirm that we have remediated this material weakness until our newly implemented procedures have been working for a sufficient period of time. As a result

of this and similar activities, management' s attention may be diverted from other business concerns, which could have a material adverse effect on our business, financial condition and results of operations.

If the remedial policies and procedures we implement and resources we hire are insufficient to address the identified material weakness, or if additional material weaknesses or significant deficiencies in our internal controls are discovered in the future, we may fail to meet our future reporting obligations, our financial statements may contain material misstatements and our operating results may be adversely affected.

Our internal controls over financial reporting may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation.

We are not currently required to comply with SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal controls over financial reporting for that purpose. We will be required, pursuant to the Exchange Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for the first fiscal year beginning after the effective date of this offering.

When evaluating our internal controls over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude, on an ongoing basis, that we have effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected, and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, which may make it more difficult for investors and securities analysts to evaluate our company. In addition, we have elected under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates. We cannot predict if investors will find our Class A common stock less attractive if we rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile. We may take advantage of these reporting exemptions until we are no longer an emerging growth company, which in certain circumstances could be up to five years.

We will have broad discretion in using the net proceeds of this offering, and we may not effectively expend the proceeds.

We intend to use the net proceeds of this offering to repay all of the outstanding debt under our existing credit facilities, to provide the funds necessary to expand our advance commission structure and for general corporate purposes, including acquisitions. We will have significant flexibility and broad discretion in applying the net proceeds of this offering and we may not apply the net proceeds of this offering effectively. Our management might not be able to yield a significant return, if any, on any investment of these net proceeds. You will not have the opportunity to influence our decisions on how to use our net proceeds from this offering.

Our business and stock price may suffer as a result of our lack of public company operating experience.

We have been a privately-held company since we began operations in 2008. Our lack of public company operating experience may make it difficult to forecast and evaluate our future prospects. If we are unable to execute our business strategy, either as a result of our inability to effectively manage our business in a public company environment or for any other reason, our prospects, financial condition and results of operations may be harmed.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made statements under the captions "Prospectus Summary," "Risk Factors," "Management' s Discussion and Analysis of Financial Condition and Results of Operations," "Business" and in other sections of this prospectus that are forward-looking statements. All statements other than statements of historical fact included in this prospectus are forward-looking statements. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue," the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those factors discussed under the caption entitled "Risk Factors." You should specifically consider the numerous risks outlined under "Risk Factors."

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations.

THE REORGANIZATION OF OUR CORPORATE STRUCTURE

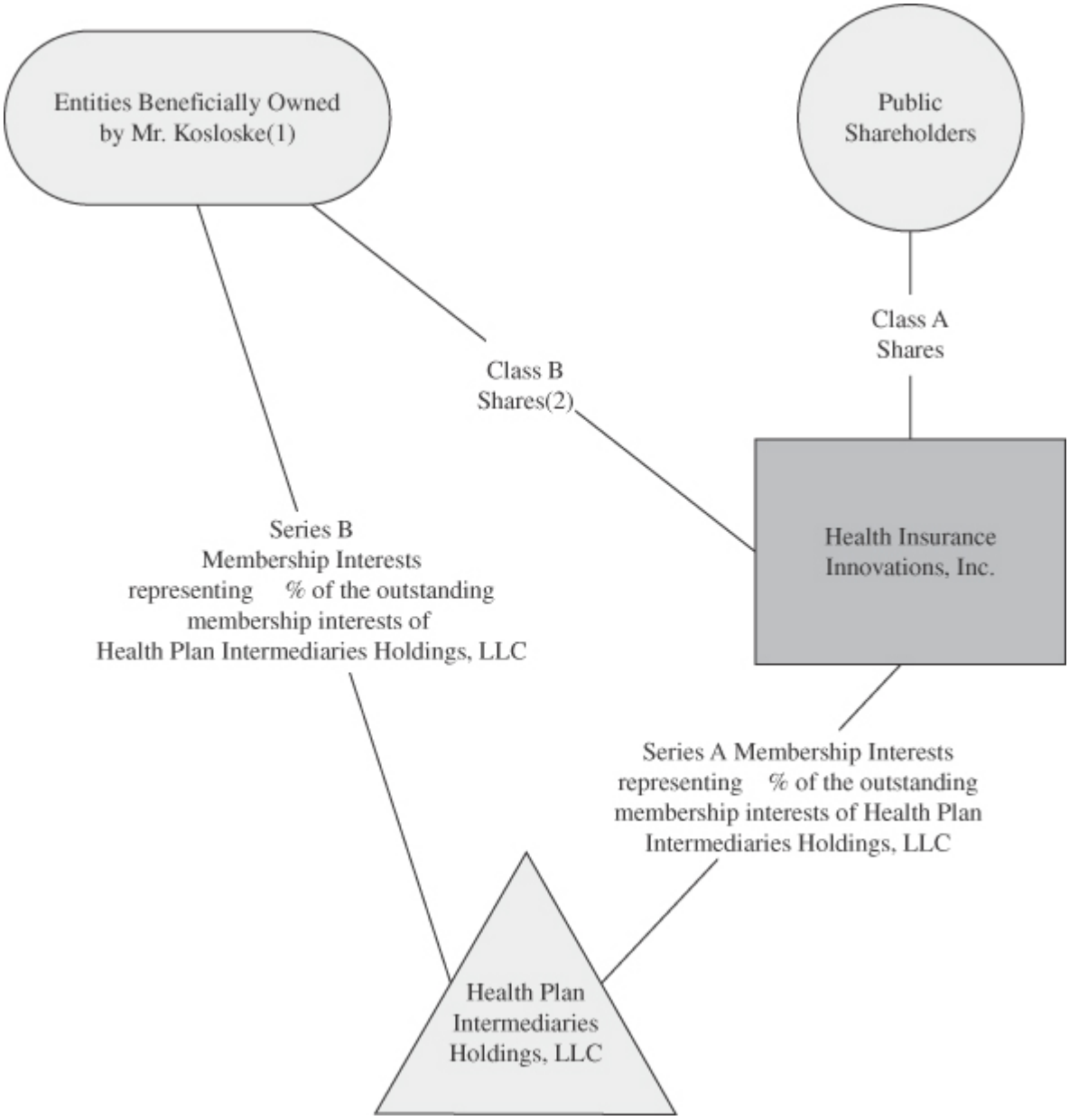
Overview

Health Insurance Innovations, Inc. was incorporated as a Delaware corporation on October 26, 2012. Immediately prior to the completion of this offering, we intend to amend and restate our certificate of incorporation to, among other things, authorize two classes of common stock, Class A common stock and Class B common stock, each having the terms described under "Description of Capital Stock." Our Class A common stock will be issued to investors in this offering and will also be held by certain of our employees. Our Class B common stock will be held by Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC (a subsidiary of Health Plan Intermediaries, LLC that was formed on October 31, 2012 in connection with this offering), which are beneficially owned by our Chairman, President, and Chief Executive Officer, Mr. Kosloske. Shares of our Class B common stock vote together with shares of our Class A common stock as a single class, except as otherwise required by law. See "Description of Capital Stock−Class B Common Stock." After completion of this offering, Mr. Kosloske will beneficially own % of our outstanding Class A and Class B common stock on a combined basis, which equals his combined economic interest in our company, and will have effective control over the outcome of votes on all matters requiring approval by our stockholders. As described in more detail below, each Series B Membership Interest can be exchanged (together with one share of Class B common stock) for one share of Class A common stock.

Health Insurance Innovations, Inc. was formed for purposes of this offering and has, to date, engaged only in activities in contemplation of this offering. Following this offering, Health Insurance Innovations, Inc. will be a holding company the principal asset of which will be Series A Membership Interests in Health Plan Intermediaries Holdings, LLC. Our business began operations in 2008, and historically, we operated through Health Plan Intermediaries, LLC. In anticipation of this offering, on November 7, 2012, Health Plan Intermediaries, LLC assigned the operating assets of our business through a series of transactions to Health Plan Intermediaries Holdings, LLC, and Health Plan Intermediaries Holdings, LLC assumed the operating liabilities of Health Plan Intermediaries, LLC.

There will be shares of our Class A common stock outstanding after this offering. These shares will represent 100% of the rights of the holders of all classes of our common stock to share in our distributions.

The diagram below shows our organizational structure immediately after completion of this offering and the reorganization described herein.



(1) The members of Health Plan Intermediaries Holdings, LLC, other than us, will include Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske.

(2) Class B shares do not entitle their holders to any dividends paid by, or rights upon liquidation of, Health Insurance Innovations, Inc.

Pursuant to a registration rights agreement that we will enter into with Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, upon request we will use our best efforts to file a registration statement in order to register the resales of the shares of our Class A common stock that are issuable from time to time upon

exchange of Series B Membership Interests (together with an equal number of shares of our Class B common stock) for shares of our Class A common stock. See "−Registration Rights Agreement."

Holding Company Structure

Our only business after this offering will be to act as sole managing member of Health Plan Intermediaries Holdings, LLC. We will operate and control all of our businesses and affairs through Health Plan Intermediaries Holdings, LLC. Immediately prior to this offering, Health Plan Intermediaries Holdings, LLC' s limited liability company agreement will be amended and restated to, among other things, establish two classes of equity: Series A Membership Interests held by us and Series B Membership Interests held only by persons or entities we permit. The financial results of Health Plan Intermediaries Holdings, LLC and its consolidated subsidiaries will be consolidated in our financial statements.

Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC

Following our reorganization and this offering, we will operate our business through Health Plan Intermediaries Holdings, LLC and its consolidated subsidiaries. The operations of Health Plan Intermediaries Holdings, LLC, and the rights and obligations of its members, will be governed by the amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part. The following is a description of the material terms of that amended and restated limited liability company agreement.

Governance

We will serve as sole managing member of Health Plan Intermediaries Holdings, LLC. As such, we will control its business and affairs and will be responsible for the management of its business. No other members of Health Plan Intermediaries Holdings, LLC, in their capacity as such, will have any authority or right to control the management of Health Plan Intermediaries Holdings, LLC or to bind it in connection with any matter.

Voting and Economic Rights of Members

Net profits and losses of Health Plan Intermediaries Holdings, LLC generally will be allocated, and distributions made, to its members *pro rata* in accordance with the number of Membership Interests (Series A or Series B, as the case may be) they hold. Accordingly, net profits and net losses of Health Plan Intermediaries Holdings, LLC will initially be allocated, and distributions will be made, approximately % to us and approximately % to the holders of Series B Membership Interests (or % and %, respectively, if the underwriters exercise their over-allotment option in full).

Subject to the availability of net cash flow at the Health Plan Intermediaries Holdings, LLC level and to applicable legal and contractual restrictions, we intend to cause Health Plan Intermediaries Holdings, LLC to distribute to us, and to the other holders of Membership Interests, cash payments for the purposes of funding tax obligations in respect of any net taxable income that is allocated to us and the other holders of Membership Interests as members of Health Plan Intermediaries Holdings, LLC, to fund dividends, if any, declared by us and to make any payments due under the tax receivable agreement, as described below. See "−Tax Consequences." If Health Plan Intermediaries Holdings, LLC makes distributions to its members in any given year, the determination to pay dividends, if any, to our Class A common stockholders will be made by our board of directors. We do not, however, expect to declare or pay any cash or other dividends in the foreseeable future on our Class A common stock, as we intend to reinvest any cash flow generated by operations in our business. Class B common stock will not be entitled to any dividend payments. We may enter into credit agreements or other borrowing arrangements in the future that prohibit or restrict our ability to declare or pay dividends on our Class A common stock.

Coordination of Health Insurance Innovations, Inc. and Health Plan Intermediaries Holdings, LLC

Except with respect to shares of Class A Common Stock issued pursuant to the exercise of the over-allotment option, whenever we issue one share of Class A common stock for cash, the net proceeds will be transferred promptly to Health Plan Intermediaries Holdings, LLC, and Health Plan Intermediaries Holdings, LLC will issue to us one Series A Membership Interest. If we issue other classes or series of equity securities, we will contribute to Health Plan Intermediaries Holdings, LLC the net proceeds we receive in connection with such issuance, and Health Plan Intermediaries Holdings, LLC will issue to us an equal number of equity securities with designations, preferences and other rights and terms that are substantially the same as our newly issued equity securities. Conversely, if we repurchase any shares of Class A common stock (or equity securities of other classes or series) for cash, Health Plan Intermediaries Holdings, LLC will, immediately prior to our repurchase, redeem an equal number of Series A Membership Interests (or its equity securities of the corresponding classes or series), upon the same terms and for the same price, as the shares of our Class A common stock (or our equity securities of such other classes or series) are repurchased. Membership Interests and shares of our common stock will be subject to equivalent stock splits, dividends and reclassifications.

We will not conduct any business other than the management and ownership of Health Plan Intermediaries Holdings, LLC and its subsidiaries, or own any other assets (other than on a temporary basis), although we may take such actions and own such assets as are necessary to comply with applicable law, including compliance with our responsibilities as a public company under the U.S. federal securities laws, and may incur indebtedness and may take other actions if we determine that doing so is in the best interest of Health Plan Intermediaries Holdings, LLC.

Issuances of Membership Interests

Series A Membership Interests may be issued only to us as the sole managing member of Health Plan Intermediaries Holdings, LLC. Series B Membership Interests may be issued only to persons or entities we permit, which initially will be Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske. Such issuances shall be in exchange for cash or other consideration. Series B Membership Interests may not be transferred as Series B Membership Interests except to certain permitted transferees and in accordance with the restrictions on transfer set forth in the amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC, and any such transfer must be accompanied by the transfer of an equal number of shares of our Class B common stock.

Exchange Agreement

We will enter into an exchange agreement with the holders of Series B Membership Interests. Pursuant to and subject to the terms of the exchange agreement and the amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC, holders of Series B Membership Interests, at any time and from time to time, may exchange one or more Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock on a one-for-one basis, subject to equitable adjustments for stock splits, stock dividends and reclassifications.

Holders will not have the right to exchange Series B Membership Interests if we determine that such exchange would be prohibited by law or regulation or would violate other agreements to which we may be subject. We may impose additional restrictions on exchange that we determine necessary or advisable so that Health Plan Intermediaries Holdings, LLC is not treated as a "publicly traded partnership" for U.S. federal income tax purposes. If the Internal Revenue Service were to contend successfully that Health Plan Intermediaries Holdings, LLC should be treated as a "publicly traded partnership" for U.S. federal income tax purposes, Health Plan Intermediaries Holdings, LLC would be treated as a corporation for U.S. federal income tax purposes and thus would be subject to entity-level tax on its taxable income.

A holder that exchanges Series B Membership Interests will also be required to deliver an equal number of shares of our Class B common stock. In connection with each exchange, Health Plan Intermediaries Holdings, LLC will cancel the delivered Series B Membership Interests and issue to us Series A Membership Interests on a one-for-one basis. Thus, as holders exchange their Series B Membership Interests for Class A common stock, our interest in Health Plan Intermediaries Holdings, LLC will increase.

We and the exchanging holder will each generally bear our own expenses in connection with an exchange, except that, subject to a limited exception, we are required to pay any transfer taxes, stamp taxes or duties or other similar taxes in connection with such an exchange.

We have reserved for issuance shares of our Class A common stock for potential exchange in the future for Series B Members Interests, which is the aggregate number of Series B Membership Interests to be outstanding after completion of the reorganization and this offering (assuming no exercise of the underwriters' over-allotment option).

Exculpation and Indemnification

The amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC contains provisions limiting the liability of its managing member, members, officers and their respective affiliates to Health Plan Intermediaries Holdings, LLC or any of its members. Moreover, the amended and restated limited liability company agreement contains broad indemnification provisions for Health Plan Intermediaries Holdings, LLC' s managing member, members, officers and their respective affiliates. Because Health Plan Intermediaries Holdings, LLC is a limited liability company, these provisions are not subject to the limitations on exculpation and indemnification contained in the Delaware General Corporation Law with respect to the indemnification that may be provided by a Delaware corporation to its directors and officers.

Voting Rights of Class A Stockholders and Class B Stockholders

Each share of our Class A common stock and our Class B common stock will entitle its holder to one vote. Immediately after this offering, our Class B stockholders will collectively hold approximately % of the total voting power (and, through the equal number of Series B Membership Interests, economic interests in Health Plan Intermediaries Holdings, LLC) of our common stock (or % if the underwriters exercise their over-allotment option in full).

Tax Consequences

Holders of Membership Interests, including Health Insurance Innovations, Inc., generally will incur U.S. federal, state and local income taxes on their proportionate shares of any net taxable income of Health Plan Intermediaries Holdings, LLC. Net profits and net losses of Health Plan Intermediaries Holdings, LLC generally will be allocated to its members *pro rata* in proportion to the number of Membership Interests they hold. The amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC provides for cash distributions to its members in an amount at least equal to the members' assumed tax liability attributable to Health Plan Intermediaries Holdings, LLC. Generally, distributions in respect of the members' assumed tax liability will be computed based on our estimate of the net taxable income of Health Plan Intermediaries Holdings, LLC allocable per Membership Interest multiplied by an assumed tax rate. In accordance with this agreement, Health Plan Intermediaries Holdings, LLC intends to make distributions to its members in respect of such assumed tax liability and to fund dividends, if any, declared by us, as well as any payments we are obligated to make under the tax receivable agreement, described below.

Health Plan Intermediaries Holdings, LLC intends to make an election under Section 754 of the Internal Revenue Code of 1986, as amended, which is effective for 2013 and for each taxable year in which occurs an exchange of Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock. We expect that, as a result of this election, the acquisition of

Series B Membership Interests from Health Plan Intermediaries, LLC with the net proceeds of the sale of any over-allotment shares, as well as any future exchanges of Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock, will result in increases in the tax basis in the tangible and intangible assets of Health Plan Intermediaries Holdings, LLC at the time of such acquisition or exchange, which will increase the tax depreciation and amortization deductions available to us and which could create other tax benefits. Any such increases in tax basis and tax depreciation and amortization deductions or other tax benefits could reduce the amount of tax that we would otherwise be required to pay in the future. We will be required to pay a portion of the cash savings we actually realize from such increase (or are deemed to realize in the case of an early termination payment by us, a change in control or a material breach by us of our obligations under the tax receivable agreement, as described below) to certain holders of Series B Membership Interests pursuant to the tax receivable agreement. Furthermore, payments under the tax receivable agreement, as described below, will give rise to additional tax benefits and therefore to additional payments under the tax receivable agreement itself. To the extent that we are unable to make payments under the income tax receivable agreement for any reason, such payments will be deferred and will accrue interest until paid. See "–Tax Receivable Agreement" below.

Tax Receivable Agreement

Assuming the underwriters do not exercise their over-allotment option, this offering is not anticipated to result in an increase in the tax basis in our share of the tangible and intangible assets of Health Plan Intermediaries Holdings, LLC. However, the purchase of Series B Membership Interests (together with an equal number of shares of our Class B common stock) with the net proceeds of the sale of any over-allotment shares, as well as subsequent exchanges of Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock, are expected to increase our tax basis in our share of Health Plan Intermediaries Holdings, LLC' s tangible and intangible assets. These increases in tax basis are expected to increase our depreciation and amortization deductions and create other tax benefits and therefore may reduce the amount of tax that we would otherwise be required to pay in the future.

After giving effect to the reorganization, we will enter into a tax receivable agreement with the holders of Series B Membership Interests (currently Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske). The agreement will require us to pay to such holders 85% of the cash savings, if any, in U.S. federal, state and local income tax we realize (or are deemed to realize in the case of an early termination payment, a change in control or a material breach by us of our obligations under the tax receivable agreement, as discussed below) as a result of any possible future increases in tax basis described above and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement itself. This will be our obligation and not an obligation of Health Plan Intermediaries Holdings, LLC. We will benefit from the remaining 15% of any realized cash savings. For purposes of the tax receivable agreement, cash savings in income tax will be computed by comparing our actual income tax liability with our hypothetical liability had we not been able to utilize the tax benefits subject to the tax receivable agreement itself. The tax receivable agreement will become effective upon completion of this offering and will remain in effect until all such tax benefits have been used or expired, unless the agreement is terminated early, as described below. Estimating the amount of payments to be made under the tax receivable agreement cannot be done reliably at this time because any increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending on a number of factors, including:

- the timing of exchanges of Series B Membership Interests (together with an equal number of shares of our Class B common stock) for shares of our Class A common stock−for instance, the increase in any tax deductions will vary depending on the fair market value of the depreciable and amortizable assets of Health Plan Intermediaries Holdings, LLC at the time of the exchanges, and this value may fluctuate over time;
- the price of our Class A common stock at the time of exchanges of Series B Membership Interests (together with an equal number of shares of our Class B common stock) for shares of our Class A common stock−the increase in our share of the basis in the assets of Health Plan Intermediaries

Holdings, LLC, as well as the increase in any tax deductions, will be related to the price of our Class A common stock at the time of these exchanges;

the tax rates in effect at the time we use the increased amortization and depreciation deductions or realize other tax benefits; and

the amount, character and timing of our taxable income. We will be required to pay 85% of the tax savings, as and if realized. Except in certain circumstances, if we do not have taxable income in a given taxable year, we will not be required to make payments under the tax receivable agreement for that taxable year because no tax savings will have been realized.

The payments that we make under the tax receivable agreement could be substantial. Assuming no material changes in relevant tax law and based on our current operating plan and other assumptions, including our estimate of the tax basis of our assets as of , if all of the Series B Membership Interests were acquired by us in taxable transactions at the time of the closing of this offering for a price of $ (the midpoint of the range on the cover of this prospectus) per Series B Membership Interest, we estimate that the amount that we would be required to pay under the tax receivable agreement could be approximately $ million. The actual amount may differ materially from this hypothetical amount as potential future payments will vary depending on a number of factors, including those listed above.

We will have the right to terminate the tax receivable agreement at any time. In addition, the tax receivable agreement will terminate early if we (or our successors) breach our obligations under the tax receivable agreement or upon certain mergers, asset sales, other forms of business combinations or other changes of control. If we exercise our right to terminate the tax receivable agreement, or if the tax receivable agreement is terminated early in accordance with its terms, our (or our successors') payment obligations under the tax receivable agreement with respect to certain exchanged or acquired Membership Interests would be accelerated and would become due and payable based on certain assumptions, including that we would have sufficient taxable income to use in full the deductions arising from the increased tax basis and certain other benefits. As a result, we could make payments under the tax receivable agreement that are substantial and in excess of our actual cash savings in income tax.

Decisions made in the course of running our business, such as with respect to mergers, asset sales, other forms of business combinations or other changes in control, may influence the timing and amount of payments we make under the tax receivable agreement. For example, the earlier disposition of assets following an exchange or acquisition transaction will generally accelerate payments under the tax receivable agreement and increase the present value of such payments. In these situations, our obligations under the tax receivable agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control.

Were the Internal Revenue Service to challenge successfully the tax basis increases described above, we would not be reimbursed for any payments previously made under the tax receivable agreement although future payments under the tax receivable agreement, if any, would be adjusted to reflect the result of any such successful challenge by the Internal Revenue Service. As a result, we could make payments under the tax receivable agreement in excess of our actual cash savings in income tax.

Registration Rights Agreement

We will enter into a registration rights agreement with Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske, to register for sale under the Securities Act shares of our Class A common stock delivered in exchange for Series B Membership Interests in the circumstances described below. This agreement will provide these two entities (and their affiliates) with the right to require us, at our expense, to register shares of our Class A common stock that are issuable upon exchange of

Series B Membership Interests (and an equal number of shares of our Class B common stock) for shares of our Class A common stock. The agreement will also provide that we will pay certain expenses of Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC (and their affiliates) relating to such registrations and indemnify them against certain liabilities, which may arise under the Securities Act. The following description summarizes such rights and circumstances following our reorganization as a corporation.

Demand Rights

Subject to certain limitations, at any time after completion of this offering, Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC (and their affiliates) will have the right, by delivering written notice to us, to require us to register the number of our shares of Class A common stock requested to be so registered in accordance with the registration rights agreement. Within 10 days of receipt of notice of a demand registration, we will be required to give written notice to all other holders of registrable shares of Class A common stock. Subject to certain limitations as described below, we will include in the registration all securities with respect to which we receive a written request for inclusion in the registration within 10 days after we give our notice.

Piggyback Rights

Any holder of registrable shares of Class A common stock will be entitled to request to participate in, or "piggyback" on, registrations of any of our securities for sale by us at any time after this offering. This piggyback right will apply to any registration following this offering other than a demand registration described above, a registration on Form S-4 or S-8 or a registration solely in connection with an exchange offer or any employee benefit or dividend reinvestment plan.

Conditions and Limitations

The registration rights outlined above will be subject to conditions and limitations, including the right of the underwriters to limit the number of shares to be included in a registration statement and our right to delay, suspend or withdraw a registration statement under specified circumstances. For example, our board may, in its good faith judgment, defer any filing for up to 75 days (which deferral may not be used more than once in any 12-month period). Furthermore, our board may, in its good faith judgment, suspend a registration on Form S-3 (which suspension may not be more than an aggregate of 90 days in any 12-month period), for such period of time as is reasonably necessary not in excess of 75 days. Additionally, in certain circumstances we may withdraw a registration upon request by the holder of registrable securities.

If requested by the managing underwriter or underwriters, holders of securities with registration rights will not be able to make any sale of our equity securities (including sales under Rule 144) or give any demand notice during a period commencing on the date of the request and continuing for a period not to exceed 90 days (with respect to any underwritten public offering, other than this offering, made prior to the second anniversary of this offering, and thereafter 60 days rather than 90 days) or such shorter period as may be requested by the underwriters. The managing underwriters for the relevant offering may agree to shorten this period.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $ million, or approximately $ million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $ per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each $1 increase (decrease) in the public offering price per share would increase (decrease) our net proceeds, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, by $ million (assuming no exercise of the underwriters' over-allotment option).

We intend to use $ million of the net proceeds of this offering to repay all of the outstanding debt under our term loan and our revolving credit facility, which we intend to terminate immediately following the completion of this offering, and $ million to provide the funds necessary to expand our advance commission structure. Any remaining net proceeds will be used for general corporate purposes, including potential acquisitions that are complementary to our business or that enable us to enter new markets or provide new products or services. If the underwriters exercise their over-allotment option, we intend to use the net proceeds from the sale of such shares to acquire Series B Membership Interests, together with an equal number of shares of our Class B common stock, from Health Plan Intermediaries, LLC, which is controlled by Mr. Kosloske (which Series B Membership Interests will immediately be recapitalized into Series A Membership Interests). We are not currently a party to any agreements or commitments for any such acquisitions, and we have no current understandings with respect to any such transactions.

The term loan bears fixed interest at 5.25% and will mature after a term of five years on September 27, 2016. The purpose of the term loan was to finance the acquisition of the 50% interest in Health Plan Intermediaries, LLC owned by Naylor Group Partners, LLC. See "Management' s Discussion and Analysis of Financial Condition and Results of Operations−Liquidity and Capital Resources."

Loans under the revolving credit facility bear interest at a rate of LIBOR plus 3.50% and will mature on January , 2014. The purpose of the revolving credit facility was to finance costs associated with this offering and to fund advance commission payments to distributors. See "Management' s Discussion and Analysis of Financial Condition and Results of Operations−Liquidity and Capital Resources."

DIVIDEND POLICY

We currently anticipate that we will retain all available funds for use in the operation and expansion of our business, and do not anticipate paying any cash dividends in the foreseeable future. Class B common stock will not be entitled to any dividend payments.

CAPITALIZATION

The following table sets forth the cash and capitalization as of September 30, 2012 of:

Health Plan Intermediaries, LLC on an actual basis;

Health Insurance Innovations, Inc. on a pro forma basis to give effect to the reorganization transactions described under "The Reorganization of Our Corporate Structure;" and

Health Insurance Innovations, Inc. on a pro forma as adjusted basis to give further effect to the issuance and sale of shares of Class A common stock by us in the offering at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus, and the application of the net proceeds of the offering, after deducting estimated underwriting discounts and commissions and offering expenses payable by us, as set forth under "Use of Proceeds." Each $1 increase (decrease) in the public offering price per share would increase (decrease) our total stockholders' equity and total capitalization by $ million (assuming no exercise of the underwriters' over-allotment option), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

This table should be read in conjunction with "The Reorganization of Our Corporate Structure," "Unaudited Pro Forma Financial Information," "Selected Historical Financial and Operational Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and notes thereto appearing elsewhere in this prospectus.

	As of September 30, 2012		
	Health Plan Intermediaries, LLC Actual	Pro Forma	Pro Forma As Adjusted
		(unaudited) (in thousands)	
Cash	$ 982	$	$
Total debt	$ 3,490	$	$
Member's/stockholders' equity			
Member's equity	6,869		
Class A common stock, par value per share, shares authorized, shares outstanding actual and shares outstanding pro forma; shares authorized, shares outstanding actual and shares outstanding pro forma as adjusted;	–		
Class B common stock, par value per share, shares authorized, shares outstanding actual and shares outstanding pro forma; shares authorized, shares outstanding actual and shares outstanding pro forma as adjusted;	–		
Total member's/stockholders' equity	6,869		
Total capitalization	$ 10,359	$	$

DILUTION

After giving pro forma effect to our corporate reorganization described under "The Reorganization of Our Corporate Structure," our pro forma net tangible book value as of September 30, 2012 was $ or $ per share of our Class A and Class B common stock. Pro forma net tangible book value per share represents the amount of our total tangible assets, less the amount of our total liabilities, divided by the aggregate number of shares of Class A and Class B common stock outstanding. After giving pro forma effect to the reorganization, the sale by us of the shares of Class A common stock in this offering, at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, the receipt and application of the net proceeds and assuming all Series B Membership Interests, together with an equal number of shares of our Class B common stock, are exchanged for an equal number of shares of Class A common stock, our pro forma net tangible book value as of September 30, 2012 would have been $ or $ per share. This represents an immediate increase in pro forma net tangible book value to existing stockholders of $ per share and an immediate dilution to new investors of $ per share. Dilution per share represents the difference between the price per share to be paid by new investors for the shares of Class A common stock sold in this offering and the pro forma net tangible book value per share immediately after this offering. The following table illustrates this per share dilution:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of September 30, 2012	$	
Increase in pro forma net tangible book value per share attributable to new investors		
Pro forma net tangible book value per share after offering		
Dilution per share to new investors		$

The following table sets forth, on a pro forma basis after giving pro forma effect to the reorganization, as of September 30, 2012, the number of shares of Class A common stock purchased from us, the total consideration paid, or to be paid, and the average price per share paid, or to be paid, by existing stockholders and by the new investors, assuming all Series B Membership Interests, together with an equal number of our Class B common shares, are exchanged for an equal number of shares of Class A common stock, at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors					
Total		100 %	$	100 %	

The foregoing tables assume no exercise of the underwriters' over-allotment option.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma statements of operations for the year ended December 31, 2011 and the nine months ended September 30, 2012 and the unaudited pro forma balance sheet as of September 30, 2012 present our results of operations and financial position to give pro forma effect to the reorganization transactions described under "The Reorganization of Our Corporate Structure" and the sale of shares in this offering (excluding shares issuable upon any exercise of the underwriters' over-allotment option) and the application of the net proceeds from this offering as if all such transactions had been completed as of January 1, 2011 with respect to the unaudited pro forma statements of operations data and as of September 30, 2012 with respect to the unaudited pro forma balance sheet data. The unaudited pro forma financial statements reflect pro forma adjustments that are described in the accompanying notes and are based on available information and certain assumptions we believe are reasonable, but are subject to change. We have made, in our opinion, all adjustments that are necessary to present fairly the pro forma financial information.

The unaudited pro forma financial information is presented for informational purposes only and should not be considered indicative of actual results of operations that would have been achieved had the reorganization transactions and this offering been consummated on the dates indicated, and do not purport to be indicative of statements of financial condition or results of operations as of any future date or any future period.

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HEALTH INSURANCE INNOVATIONS, INC.

Unaudited Pro Forma Consolidated Balance Sheet
As of September 30, 2012
(in thousands)

	Health Plan Intermediaries, LLC Historical	Reorganization Adjustments	Health Insurance Innovations, Inc. (1) Pro Forma	Offering Adjustments	Health Insurance Innovations, Inc. (1) Pro Forma as Adjusted
Assets					
Current assets:					
Cash	$ 982				
Cash held on behalf of others	3,570				
Credit card transactions receivable	138				
Credit card transactions receivable for others	846				
Accounts receivable	315				
Notes receivable	95				
Advance commissions	300				
Prepaid expenses	28				
Gateway processor deposit	–				
Total current assets	6,274				
Property and equipment, net of accumulated depreciation	207				
Accounts receivable	–				
Deferred financing costs, net	87				
Capitalized offering costs	863				
Deposits	21				
Goodwill	5,906				
Intangible assets, net of accumulated amortization	4,184				
Total assets	$ 17,542				
Liabilities and member' s/stockholders' equity					
Current liabilities:					
Accounts payable and accrued expenses	$ 1,540				
Carriers and vendors payable	2,976				
Commissions payable	1,441				
Unearned commissions	197				
Notes payable	110				
Deferred rent	14				
Deferred other income	8				
Current portion of long-term debt	802				
Current portion of noncomplete obligation	177				
Current portion of capital leases	2				
Due to member	–				
Total current liabilities	7,267				
Capital lease obligations, less current portion	5				

Long-term debt, less current portion	2,688
Noncomplete obligation	665
Deferred rent	48
Total liabilities	10,673
Member' s/stockholders' equity	6,882
Noncontrolling interest in subsidiary	(13)
Total equity	6,869
Total liabilities and member' s/stockholders' equity	$ 17,542

(1) As a newly formed entity, Health Insurance Innovations, Inc. will have no assets or results of operations until the completion of this offering.

HEALTH INSURANCE INNOVATIONS, INC.

Unaudited Pro Forma Statements of Operations
Year Ended December 31, 2011
(in thousands)

	Historical					
	Three Months Ended December 31, 2011 (Successor)	Nine Months Ended September 30, 2011 (Predecessor)	Reorganization Adjustments	Health Insurance Innovations, Inc.(1) Pro Forma	Offering Adjustments	Health Insurance Innovations, Inc.(1) Pro Forma as Adjusted
Revenues	$ 8,090	$ 21,788				
Third-party commissions	5,601	16,103				
Credit cards and ACH fees	197	473				
General and administrative expenses	1,421	3,341				
Depreciation and amortization	269	29				
Total operating costs and expenses	7,488	19,946				
Income (loss) from operations	602	1,842				
Other expenses (income):						
Interest expense	71	–				
Interest income	–	–				
Net income (loss)	$ 531	$ 1,842				

(1) As a newly formed entity, Health Insurance Innovations, Inc. will have no assets or results of operations until the completion of this offering.

HEALTH INSURANCE INNOVATIONS, INC.

Unaudited Pro Forma Consolidated Statement of Operations
Nine Months Ended September 30, 2012
(in thousands, except share and per share amounts)

	Health Plan Intermediaries, LLC Historical	Reorganization Adjustments	Health Insurance Innovations, Inc.(1) Pro Forma	Offering Adjustments	Health Insurance Innovations, Inc.(1) Pro Forma as Adjusted
Revenues	$ 30,102				
Third-party commissions	20,093				
Credit cards and ACH fees	693				
General and administrative expenses	5,786				
Depreciation and amortization	771				
Total operating costs and expenses	27,343				
Income from operations	2,759				
Other expenses (income):					
Interest expense	194				
Interest income	–				
Other income	(21)				
Net income	$ 2,586				
Net loss attributable to noncontrolling interest in subsidiary	(63)				
Net income attributable to Health Plan Intermediaries, LLC	$ 2,649				

(1) As a newly formed entity, Health Insurance Innovations, Inc. will have no assets or results of operations until the completion of this offering.

SELECTED HISTORICAL FINANCIAL AND OPERATIONAL DATA

The following selected historical financial and operational data of Health Plan Intermediaries, LLC should be read in conjunction with, and are qualified by reference to, "Management' s Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and notes thereto included elsewhere in this prospectus. The statements of operations for the nine-month period ended September 30, 2012 (Successor), the three-month period ended December 31, 2011 (Successor), the nine-month period ended September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor) and the balance sheet data as of September 30, 2012 (Successor) and December 31, 2011 (Successor) are derived from, and qualified by reference to, the audited consolidated financial statements of Health Plan Intermediaries, LLC included elsewhere in this prospectus and should be read in conjunction with those financial statements and notes thereto. Results for the nine-month period ended September 30, 2012 are not necessarily indicative of results that may be expected for the entire year.

	Nine Months Ended September 30, 2012	Three Months Ended December 31, 2011	Nine Months Ended September 30, 2011	Year Ended December 31, 2011	Year Ended December 31, 2010
	(Successor)	(Successor)	(Predecessor)	(Combined) (Non-GAAP)	(Predecessor)
	(in thousands, except plans in force)				
Statements of Operations:					
Revenues	$ 30,102	$ 8,090	$ 21,788	$ 29,878	$ 11,790
Third-party commissions	20,093	5,601	16,103	21,704	9,010
Credit cards and ACH fees	693	197	473	670	275
General and administrative expenses	5,786	1,421	3,341	4,762	2,514
Depreciation and amortization	771	269	29	298	7
Total operating costs and expenses	27,343	7,488	19,946	27,434	11,806
Income (loss) from operations	2,759	602	1,842	2,444	(16)
Other expenses (income):					
Interest expense	194	71	–	71	–
Interest income	–	–	–		(3)
Other income	(21)	–		–	
Net income (loss)	$ 2,586	$ 531	$ 1,842	$ 2,373	$ (13)
Net loss attributable to noncontrolling interest in subsidiary	(63)	–	–	–	–
Net income (loss) attributable to Health Plan Intermediaries, LLC	$ 2,649	$ 531	$ 1,842	$ 2,373	$ (13)
Other Financial and Operational Data:					
Premium equivalents(1)	$ 54,549	$ 14,949	$ 38,257	$ 53,206	$ 20,024
Plans in force (end of period)(2)	53,297	29,951	22,847	29,951	13,121
EBITDA(3)	$ 3,551	$ 871	$ 1,871	$ 2,742	$ (9)

(1) "Premium equivalents" is defined as the combination of premiums, fees for discount benefit plans, fees for distributors and our enrollment fees. Premium equivalents does not represent, and should not be considered as, an alternative to revenues, as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. We have included premium equivalents in this prospectus because it is a key measure used by our management to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, the inclusion of premium equivalents can provide a useful measure for period-to-period comparisons of our business. Premium equivalents has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis

of our results as reported under U.S. GAAP. See “Management Discussion and Analysis of Financial Condition and Results of Operations−Key Business Metrics.”

The following is a reconciliation of premium equivalents to revenues:

	Nine Months Ended September 30, 2012 (Successor)	Three Months Ended December 31, 2011 (Successor)	Nine Months Ended September 30, 2011 (Predecessor)	Year Ended December 31, 2011 (Combined) (Non-GAAP)	Year Ended December 31, 2010 (Predecessor)
			(in thousands)		
Premium equivalents	$ 54,549	$ 14,949	$ 38,257	$ 53,206	$ 20,024
Less risk premium	(23,296)	(6,380)	(15,180)	(21,560)	(7,616)
Less amounts earned by third-party obligors	(1,151)	(479)	(1,289)	(1,768)	(618)
Revenues	$ 30,102	$ 8,090	$ 21,788	$ 29,878	$ 11,790

(2) "Plans in force" is defined as policies or discount benefit plans issued to a member for which we have collected the applicable premium payments and/or discount benefit fees. See "Management Discussion and Analysis of Financial Condition and Results of Operations−Key Business Metrics." A member may be enrolled in more than one policy or discount benefit plan simultaneously.

(3) "EBITDA" is defined as net income before interest expense, interest income and depreciation and amortization. EBITDA does not represent, and should not be considered as, an alternative to net income or cash flows from operations, each as determined in accordance with U.S. GAAP. We have presented EBITDA because we consider it an important supplemental measure of our performance and believe that it is frequently used by analysts, investors and other interested parties in the evaluation of companies. Other companies may calculate EBITDA differently than we do. EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP.

The following is a reconciliation of net income (loss) to EBITDA:

	Nine Months Ended September 30, 2012 (Successor)	Three Months Ended December 31, 2011 (Successor)	Nine Months Ended September 30, 2011 (Predecessor)	Year Ended December 31, 2011 (Combined) (Non-GAAP)	Year Ended December 31, 2010 (Predecessor)
			(in thousands)		
Net Income (loss)	$ 2,586	$ 531	$ 1,842	$ 2,373	$ (13)
Interest expense	194	71	–	71	–
Interest income	–	–	–	–	(3)
Depreciation and amortization	771	269	29	298	7
EBITDA	$ 3,551	$ 871	$ 1,871	$ 2,742	$ (9)

	As of September 30, 2012	As of December 31, 2011
	(in thousands)	
Balance Sheet Data:		
Cash	$ 982	$ 618
Total assets	17,542	15,068
Debt, noncompete obligation and capital leases	4,340	4,078
Total member' s equity	6,869	6,996

MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion together in conjunction with our financial statements and the notes thereto included in this prospectus. The following discussion contains forward-looking statements. Actual results could differ materially from the results discussed in the forward-looking statements. See "Risk Factors" and "Special Note Regarding Forward-Looking Statements" above.

We are a leading developer and administrator of affordable, web-based individual health insurance plans and ancillary products. Our highly scalable, proprietary, web-based technology platform allows for mass distribution of and online enrollment in our large and diverse portfolio of affordable health insurance offerings.

Our technology platform provides customers, who we refer to as members, immediate access to our products through our distribution partners anytime, anyplace. The health insurance products we develop are underwritten by insurance carrier companies, and we assume no underwriting, insurance or reimbursement risk. Members can price and tailor product selections to meet their needs, buy policies and print policy documents and identification cards in real-time. Our sales are executed online and offer instant electronic fulfillment. Our technology platform uses abbreviated online applications, some with health questionnaires, to provide an immediate accept or reject decision on applications for all products that we offer. Once an application is accepted, individuals can use our automated payment system to complete the enrollment process and obtain instant electronic access to their policy fulfillment documents, including the insurance policy, benefits schedule and identification cards. We receive credit card and Automated Clearing House (ACH) payments directly from members at the time of sale. Our technology platform provides significant operating leverage as we add members and reduces the costs associated with marketing, selling, underwriting and administering policies.

We are an industry leader in the sale of 12-month short-term medical, or STM, insurance plans, an alternative to traditional Individual Major Medical, or IMM, plans, which provide lifetime renewable coverage. STM plans generally offer qualifying individuals comparable benefits for fixed short-term durations of six or 12 months at approximately half the cost of IMM plans. While applications for IMM insurance may take up to 60 days to process, STM plans feature a streamlined underwriting process offering immediate coverage options. We also offer guaranteed-issue hospital indemnity plans for individuals under the age of 65, which pay fixed cash benefits for covered procedures and services, and a variety of ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/critical illness plans that are frequently purchased as supplements to STM and hospital indemnity plans. We design and structure insurance products on behalf of insurance carrier companies, market them to individuals through our large network of distributors and manage member relations via our online member portal, which is available 24 hours a day, seven days a week. Our online enrollment process allows us to aggregate and analyze consumer data and purchasing habits to track market trends and drive product innovation. We have established relationships with several highly rated insurance carriers, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA among others. In addition, as of September 30, 2012, the large independent distribution network we access consists of 32 licensed agent call centers and 248 wholesalers, including Marsh, eHealthInsurance and MasterCard, among others, that work with over 7,300 licensed brokers. Our data-driven product design, technology platform and extensive distribution network have enabled us to grow our revenues from $11,790,000 in 2010 to $29,878,000 in 2011, and from $21,788,000 in the nine-month period ended September 30, 2011 to $30,102,000 in the nine-month period ended September 30, 2012.

We focus on the large and under-penetrated segment of the U.S. population who are uninsured or underinsured, which includes individuals who are unable to afford traditional IMM premiums, individuals not covered by employer-sponsored insurance plans, such as those who are self-employed as well as small business owners and their employees, and underserved "gap populations" that require insurance due to changes caused by life events, such as new graduates, divorcees, early retirees, military discharges, the unemployed, part-time and seasonal employees and temporary workers. Our target market consists of approximately 64 million Americans, including approximately 50 million Americans who were uninsured in 2010, according to the U.S. Census

Bureau, and approximately 14 million non-elderly Americans who purchased individual health insurance plans in 2010, according to a 2010 Kaiser Family Foundation survey. As of September 30, 2012, we had approximately 24,416 STM members. We expect the number of uninsured and underinsured to significantly increase due to the rising costs and burdensome underwriting requirements of traditional IMM plans and a decline in employer-sponsored health insurance programs.

As of September 30, 2012, we had 24,416 STM plans in force, compared with 16,838 on September 30, 2011, with an average monthly retention rate of 80% from September 30, 2011 to September 30, 2012. We earn our revenues from commissions and fees related to the sale of products to our members. Our ancillary products have created several additional revenue streams and resulted in a significant portion of our business being generated by monthly member renewals. For the nine months ended September 30, 2012, our premium equivalents, revenue and EBITDA were $54,549,000, $30,102,000 and $3,551,000, respectively, representing a 42.6%, 38.2% and 89.8% increase compared to premium equivalents, revenues and EBITDA of $38,257,000, $21,788,000 and $1,871,000, respectively, for the nine months ended September 30, 2011. See "Selected Historical Financial and Operational Data" for a discussion regarding the use of premium equivalents and EBITDA as financial measures and for reconciliations to the most directly comparable GAAP financial measures.

Basis of Presentation

On September 28, 2011, we entered into an agreement to purchase of the units of Health Plan Intermediaries, LLC owned by Naylor Group Partners, LLC. Prior to the purchase, which we refer to as the Acquisition, Health Plan Intermediaries, LLC was 50% owned by Naylor Group Partners, LLC and 50% owned by Mr. Kosloske. Following the purchase, Mr. Kosloske became the sole member of Health Plan Intermediaries, LLC. The Acquisition was accounted for as a purchase and the purchase price was reflected on our financial statements using push-down accounting. Accordingly, purchase accounting adjustments have been reflected in our financial statements for the period commencing on October 1, 2011. The new basis of accounting reflects the estimated fair value of the our assets and liabilities as of the date of the Acquisition. We used October 1, 2011, as the effective date of the transaction, since the operating activity between that date and the September 28, 2011 transaction date was not material.

The following discussion and analysis of our financial condition and results of operations covers periods before and after the Acquisition. The discussion and analysis of periods prior to September 30, 2011 do not reflect the purchase accounting adjustments discussed above and in the financial statements and notes thereto included elsewhere in this prospectus. However, the general nature of our operations was not impacted by the Acquisition. As such, for comparative purposes we will discuss changes between the periods without reference to the effects of the Predecessor and Successor periods, which is consistent with the manner in which we evaluate the results of operations. All references to the nine months ended September 30, 2012 relate to the nine-month period ended September 30, 2012 of the Successor. All references to the nine months ended September 30, 2011 relate to the nine-month period ended September 30, 2011 of the Predecessor. All references to the year ended December 31, 2011 relate to the combined three-month period ended December 31, 2011 of the Successor and the nine-month period ended September 30, 2011 of the Predecessor. All references to the year ended December 31, 2010 relate to the year ended December 31, 2010 of the Predecessor. The presentation of combined Predecessor and Successor operating results (which is simply the arithmetic sum of the Predecessor and Successor amounts) is a Non-GAAP presentation, which is provided as a convenience solely for the purpose of facilitating comparisons of current results with combined results over the same period in the prior year. Effects of the Acquisition will be discussed where applicable.

Effects of the Reorganization

Health Insurance Innovations, Inc. was formed for the purpose of this offering and has engaged to date only in activities in contemplation of this offering. Upon completion of the offering, all of our business will be conducted through Health Plan Intermediaries Holdings, LLC. Historically, our business was operated through

Health Plan Intermediaries, LLC. In anticipation of this offering, on November 7, 2012, Health Plan Intermediaries, LLC assigned the operating assets of our business through a series of transactions to Health Plan Intermediaries Holdings, LLC, and Health Plan Intermediaries Holdings, LLC assumed the operating liabilities of Health Plan Intermediaries, LLC.

Health Insurance Innovations, Inc. will be a holding company whose principal asset will be its interest in Health Plan Intermediaries Holdings, LLC. All of the equity of Health Plan Intermediaries Holdings, LLC outstanding prior to the reorganization will be exchanged for Series B Membership Interests of Health Plan Intermediaries Holdings, LLC and an equal number of shares of our Class B common stock. For more information regarding our reorganization and holding company structure, see "The Reorganization of Our Corporate Structure."

We expect that future exchanges of Series B Membership Interests (together with an equal number of our Class B common shares) for shares of our Class A common stock, as well as the acquisition, with the net proceeds of the sale of any over-allotment shares, of Series B Membership Interests (together with an equal number of shares of our Class B common stock) from Health Plan Intermediaries, LLC (which Series B Membership Interests will immediately be recapitalized into Series A Membership Interests), see "Use of Proceeds," will result in increases in the tax basis in our share of the tangible and intangible assets of Health Plan Intermediaries Holdings, LLC. We expect that these increases in tax basis, which would not have been available but for our new holding company structure, will reduce the amount of tax that we would otherwise be required to pay in the future. We will be required to pay a portion of the cash savings we actually realize from such increase (or are deemed to realize in the case of an early termination payment by us, a change in control or a material breach by us of our obligations under the tax receivable agreement, as discussed above) to the holders of Series B Membership Interests (currently Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske), pursuant to a tax receivable agreement. Furthermore, payments under the tax receivable agreement will give rise to additional tax benefits and therefore additional payments under the tax receivable agreement itself. See "The Reorganization and Our Corporate Structure−Tax Receivable Agreement."

Our former operating entity, Health Plan Intermediaries, LLC, is taxed as an S corporation for income tax purposes. Therefore, we have not been subject to entity-level federal or state income taxation. Health Plan Intermediaries Holdings, LLC is currently taxed as a partnership for federal income tax purposes; and as a result, the members of Health Plan Intermediaries Holdings, LLC pay taxes with respect to their allocable shares of its net taxable income. Following the reorganization and this offering, all of the earnings of Health Insurance Innovations, Inc. will be subject to federal income taxation.

Factors Affecting Our Results of Operations

As the managing general underwriter of our individual health insurance plans and ancillary products, we receive all amounts due in connection with our plans on behalf of the providers of the services. We refer to these total collections as premium equivalents, which typically represent a combination of premiums, fees for discount benefit plans (a non-insurance benefit product that supplements or enhances an insurance product), fees for distributors and our enrollment fees. From premium equivalents, we remit risk premium to carriers and amounts earned by discount benefit plan providers, who we refer to as third-party obligors, such carriers and third-party obligors being the ultimate parties responsible for providing the insurance coverage or discount benefits to the member. Our revenues consist of the balance of the premium equivalents.

We collect premium equivalents upon the initial sale of the plan and then monthly upon each subsequent periodic payment under such plan. We receive most premium equivalents through online credit card or ACH processing. As a result, we have limited accounts receivable. We remit the risk premium to the applicable carriers and the amounts earned by third-party obligors on a monthly basis based on the respective compensation arrangements.

Commission revenue and fees attributable to revenues from STM plans and hospital indemnity policies represented substantially all of our revenues for the periods presented. Our commissions represent premiums and fees for discount benefit plans, net of risk premium and amounts earned by third-party obligors, respectively. We recognize commissions as we collect the premiums and fees for discount benefit plans.

Commission rates for all insurance plans are approved in advance by the relevant carrier. Our commission rates and the length of the commission period typically vary by carrier and plan type. Under our carrier compensation arrangements, the commission rate schedule that is in effect on the policy effective date will govern the commissions over the life of the plan.

We continue to receive a commission payment until the plan expires or is terminated. Accordingly, a portion of our monthly revenues is predictable on a month-to-month basis and revenues increase in direct proportion to the growth we experience in the number of plans in force.

We pay fees to distributors for their services in selling our plans, which are included in our operating costs and expenses.

Key Business Metrics

In addition to traditional financial metrics, we rely upon the following key business metrics to evaluate our business performance and facilitate long-term strategic planning:

Premium equivalents. We define this metric as the combination of premiums, fees for discount benefit plans, fees for distributors and our enrollment fees. All amounts not paid out as risk premium to carriers or paid out to other third-party obligors are considered to be revenues for financial reporting purposes. We have included premium equivalents in this prospectus because it is a key measure used by our management to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, the inclusion of premium equivalents can provide a useful measure for period-to-period comparisons of our business.

Plans in force. We consider a plan to be in force when we have issued a member his or her insurance policy or discount benefit plan and have collected the applicable premium payments and/or discount benefit fees. Our plans in force are an important indicator of our expected revenues, as we receive a monthly commission for up to six months for our six-month STM plan, up to 12 months for our 12-month STM plan and often more than 12 months for our hospital indemnity and discount benefit plans, provided that the policy or discount benefit plan is not cancelled. A member may be enrolled in more than one policy or discount benefit plan simultaneously. A plan becomes inactive upon notification to us of termination of its policy or discount benefit plan, when the member' s policy or discount benefit plan expires or following non-payment of premiums or discount benefit fees when due.

EBITDA. We define this metric as net income before interest expense, income taxes, interest income and depreciation and amortization. We have included EBITDA in this prospectus because it is a key measure used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, the exclusion of certain expenses in calculating EBITDA can provide a useful measure for period-to-period comparisons of our business.

Key Components of Our Statements of Operations

Revenues

Our revenues consist primarily of commissions earned for our insurance policies and discount benefit plans issued to members, enrollment fees paid by members and administration fees paid by members as a direct result of our enrollment services. We recognize revenues upon the member' s acceptance of a policy. We expect our revenues to increase as we add new members.

Operating Costs and Expenses

Operating costs and expenses consist of fees and commissions paid to distributors for selling our products to members, credit card or ACH processing fees and general and administrative expenses. We expect our operating costs and expenses to represent a decreasing percentage of our revenues due to the scalable nature of our technology platform that allows for mass distribution and online enrollment of our products, requiring minimal maintenance and incremental costs.

Third-party Commissions

Our third-party commissions consist of fees and commissions paid to distributors for selling our products to members, which we pay monthly for existing members and on a weekly basis for new members. We expect third-party commissions as a percentage of revenue to remain generally consistent with prior periods.

Credit Cards and ACH Fees

Our credit card and ACH fees are fees paid to our banks and processors for the collection of credit card and ACH payments. We expect credit card and ACH fees as a percentage of revenue to remain generally consistent with prior periods.

General and Administrative Expenses

Our general and administrative expenses primarily consist of personnel costs, which represent salaries, bonuses, commissions, payroll taxes and benefits. General and administrative expenses also include marketing campaign expenditures and travel costs associated with obtaining new distributor relationships. In addition, these expenses also include technology expenses and personnel costs and expenses for outside professional services, including legal, audit and financial services. Following the completion of this offering, we expect general and administrative expenses to increase due to the anticipated growth of our business and infrastructure and the costs associated with becoming a public company, such as costs associated with SEC reporting and compliance, developing and maintaining internal controls over financial reporting, insurance, investor relations and other related costs. In addition, as a result of the grant to Mr. Hershberger of restricted stock in connection with the offering, we will recognize compensation expense in accordance with the vesting schedule of the restricted stock. See "Executive Compensation–Restricted Stock Agreements." While such expense will depend on the stock price at the time each tranche of units vest, assuming an initial public offering price of , we would expect such expense with respect to units vesting in the 12-month period following the offering to equal for such 12-month period.

Depreciation and Amortization

Depreciation and amortization expense is primarily a function of amortization of intangible assets as well as depreciation of property and equipment used in our business. As a result of the Acquisition described above, we expect our depreciation and amortization expenses to increase, reflecting growth of intangible assets.

Major classes of amortizable intangible assets at September 30, 2012 consist of the following:

	Weighted-Average Amortization Period (In Years)	Gross Carrying Amount	Accumulated Amortization	Intangible Asset, net
Distributor relationships	7	$3,610,000	$516,000	$3,094,000
Carrier network	5	40,000	8,000	32,000
Brand	2	400,000	200,000	200,000
Capitalized software	5	45,000	2,000	43,000
Noncompete agreement	5	843,000	28,000	815,000
Total intangible assets		$4,938,000	$754,000	$4,184,000

Interest Expense

Interest expense consists of interest incurred on our outstanding debt. We expect interest to be eliminated in connection with this offering following application of a portion of the net proceeds of this offering to pay off debt.

Interest Income

Interest income consists of interest income earned on our cash balances.

Other Income

Other income includes fees charged to distributors for advance commissions, whereby we pay distributors commissions on policies sold in advance of when they would ordinarily be due to the distributor. These advance commissions are made to distributors with an established track record of selling our products. Advance commission fees range from 0% up to 2% of the premiums for each month that we advance commissions. Advanced commissions to a distributor are based upon the number of future months of expected premium equivalent multiplied by a distributor' s commission rate. We expect other income to increase as we expand our advance commission structure with the application of the net proceeds of this offering.

Income Tax Expenses

Our former operating entity, Health Plan Intermediaries, LLC, is taxed as an S corporation for income tax purposes. Therefore, we have not been subject to entity-level federal or state income taxation. Health Plan Intermediaries Holdings, LLC is currently taxed as a partnership for federal income tax purposes; and as a result, the members of Health Plan Intermediaries Holdings, LLC pay taxes with respect to their allocable shares of its net taxable income. Following the reorganization and this offering, all of the earnings of Health Insurance Innovations, Inc. will be subject to federal income taxation. Health Insurance Innovations, Inc. will account for income taxes in accordance with the provisions of ASC 740. Based on this guidance, our historical statements of operations would have reflected total income tax expense in the amount of approximately $896,000 and $1,000 for the years ended December 31, 2011 and 2010, respectively, and $964,000 for the nine months ended September 30, 2012.

Noncontrolling Interest

On June 1, 2012, we and TSG Agency, or TSG, formed Insurance Center for Excellence, LLC doing business as Insurance Academy, or ICE. ICE is a call center training facility for our distributors. Pursuant to the terms of the transaction, we contributed $80,000 in cash, and TSG contributed $20,000 in cash to the newly created limited liability company. In connection with the transaction, we received an 80% controlling interest in ICE and TSG received a 20% noncontrolling interest in ICE. The intent of this transaction was to attract potential call centers and educate them on our model and best practices with the ultimate goal of these call centers joining our distribution network. We do not expect that ICE will have a material impact on our results from operations in the next fiscal year.

Results of Operations

The following table is a summary of our statements of operations as a percentage of our total revenues.

	Percentage of Total Revenue			
	Nine Months Ended September 30,		Year Ended December 31,	
	2012	2011	2011	2010
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Third-party commissions	66.7 %	73.9 %	72.6 %	76.4 %
Credit cards and ACH fees	2.3 %	2.2 %	2.2 %	2.3 %
General and administrative expenses	19.2 %	15.3 %	15.9 %	21.3 %
Depreciation and amortization	2.6 %	0.1 %	1.0 %	0.1 %
Total operating costs and expenses	90.8 %	91.5 %	91.8 %	100.1 %
Income (loss) from operations	9.2 %	8.5 %	8.2 %	(0.1)%
Other expenses (income):				
Interest expense	0.6 %	–	0.2 %	–
Interest income	–	–	–	0.0 %
Other income	(0.1)%	–	–	–
Net income (loss)	8.6 %	8.5 %	7.9 %	(0.1)%
Net loss attributable to noncontrolling interest in subsidiary	(0.2)%	–	–	–
Net income (loss) attributable to Health Plan Intermediaries, LLC	8.8 %	8.5 %	7.9 %	(0.1)%

Comparison of Nine Months Ended September 30, 2012 and 2011

The following table presents our historical results of operations and the changes in these results in dollars and as a percentage for the periods presented:

	Nine Months Ended September 30,			
	2012	2011	Change ($)	Change (%)
	(in thousands, except percentages)			
Revenues	$ 30,102	$ 21,788	$ 8,314	38.2 %
Third-party commissions	20,093	16,103	3,990	24.8 %
Credit cards and ACH fees	693	473	220	46.5 %
General and administrative expenses	5,786	3,341	2,445	73.2 %
Depreciation and amortization	771	29	742	>100 %
Total operating costs and expenses	27,343	19,946	7,397	37.1 %
Income from operations	2,759	1,842	917	49.8 %
Other expenses (income):				
Interest expense	194	–	194	100.0 %
Interest income	–	–	–	–
Other income	(21)	–	(21)	(100.0)%
Net income	$ 2,586	$ 1,842	$ 744	40.4 %
Net loss attributable to noncontrolling interest in subsidiary	(63)	–	(63)	100.0 %

Net income attributable to Health Plan Intermediaries, LLC	$ 2,649	$ 1,842	$ 807	43.8 %

Revenues

Revenues for the nine months ended September 30, 2012 were approximately $30,102,000, an increase of approximately $8,314,000, or 38.2%, compared to the nine months ended September 30, 2011. Revenue growth was primarily due to a 133.3% increase in the number of plans in force from 22,847 at September 30, 2011 to 53,297 at September 30, 2012. STM policies in force grew from 16,838 at September 30, 2011 to 24,416 at September 30, 2012, hospital indemnity policies in force grew from 5,645 at September 30, 2011 to 5,841 at September 30, 2012 as we concentrated on the sales of our other products and ancillary product policies in force grew from 364 at September 30, 2011 to 23,040 at September 30, 2012.

Third-party Commissions

Third-party commissions for the nine months ended September 30, 2012 were approximately $20,093,000, an increase of approximately $3,990,000, or 24.8%, compared to the nine months ended September 30, 2011. The growth in third-party commissions was primarily due to the increase in the number of plans in force. Third-party commissions represented 66.7% of revenues for the nine months ended September 30, 2012 and 73.9% of revenues for the nine months ended September 30, 2011.

Credit Card and ACH Fees

Credit card and ACH fees for the nine months ended September 30, 2012 were approximately $693,000, an increase of approximately $220,000, or 46.5%, compared to the nine months ended September 30, 2011. This growth in credit card and ACH fees was primarily due to the increase in the number of policies in force. Credit card and ACH fees represented approximately 2.3% of revenues for the nine months ended September 30, 2012 and 2.2% of revenues for the nine months ended September 30, 2011.

General and Administrative Expenses

General and administrative expenses for the nine months ended September 30, 2012 were approximately $5,786,000, an increase of approximately $2,445,000, or 73.2%, compared to the nine months ended September 30, 2011. The increase in general and administrative expenses was driven by an increase in personnel costs of $1,845,000, professional fees of $649,000 and selling, marketing and other expenses of $729,000. Personnel costs increased primarily due to additional sales and financial reporting personnel added to accommodate our growth. Professional fees increased as a result of legal fees and accounting costs associated with establishing a financial reporting department subsequent to the Acquisition. We also incurred professional fees to maintain our administrative technology platform. The increase in selling and marketing was primarily due to our adoption of a revised sales strategy and adding additional employees to implement this strategy. These increases were offset by a decrease of $615,000 of guaranteed payment expense for payments to Mr. Kosloske that were recorded to general and administrative expenses during Predecessor periods. General and administrative expenses represented 19.2% of revenues for the nine months ended September 30, 2012 and 15.3% of revenues for the nine months ended September 30, 2011.

Depreciation and Amortization

Depreciation and amortization expenses for the nine months ended September 30, 2012 were $771,000, an increase of $742,000, compared to the nine months ended September 30, 2011. This increase was primarily driven by amortization of intangible assets that were recognized from the Acquisition.

Interest Expense

Interest expense for the nine months ended September 30, 2012 was $194,000, an increase of $194,000 compared to the nine months ended September 30, 2011. This increase was the result of our entering into a bank loan agreement in September 2011 to finance the Acquisition. The original principal balance of the loan was

$4,250,000, and the loan is a five-year loan bearing fixed interest at 5.25% with equal monthly payments of approximately $81,000, which consist of principal and interest. A balance of $3,490,000 remains outstanding as of September 30, 2012, including a current portion of $802,000.

Other Income

Other income for the nine months ended September 30, 2012 was $21,000, an increase of $21,000 as compared to the nine months ended September 30, 2011. The increase in other income was primarily driven by fees charged to distributors for advance commissions. We began to advance commissions in November 2011.

Comparison of 2011 and 2010

The following table presents our historical results of operations and the changes in these results in dollars and as a percentage for the periods presented:

	Year Ended December 31,			
	2011	2010	Change ($)	Change (%)
	(in thousands, except percentages)			
Revenues	$29,878	$11,790	$18,088	153.4 %
Third-party commissions	21,704	9,010	12,694	140.9 %
Credit cards and ACH fees	670	275	395	143.6 %
General and administrative expenses	4,762	2,514	2,248	89.4 %
Depreciation and amortization	298	7	291	>100.0 %
Total operating costs and expenses	27,434	11,806	15,628	132.4 %
Income (loss) from operations	2,444	(16)	2,460	>(100.0) %
Other expenses (income):				
Interest expense	71	–	71	100 %
Interest income	–	(3)	3	(100 %)
Net income (loss)	$2,373	$(13)	$2,386	>(100.0) %

Revenues

Revenues for 2011 were $29,878,000, an increase of $18,088,000, or 153.4%, compared to 2010. Revenue growth was primarily due to a 128.3% increase in the number of policies in force from 13,121 at December 31, 2010 to 29,951 at December 31, 2011. STM policies in force grew from 5,627 at December 31, 2010 to 18,059 at December 31, 2011, hospital indemnity policies in force declined from 7,494 at December 31, 2010 to 5,243 at December 31, 2011 as we concentrated on the sales of our other products and ancillary product policies in force grew from zero at December 31, 2010 to 6,649 at December 31, 2011.

Third-party Commissions

Third-party commissions for 2011 were approximately $21,704,000, an increase of approximately $12,694,000, or 140.9%, compared to 2010. The growth in third-party commissions was primarily due to the increase in the number of plans in force. Third-party commissions represented 72.6% of revenues for 2011 and 76.4% of revenues for 2010.

Credit Card and ACH Fees

Credit card and ACH fees for 2011 were approximately $670,000, an increase of approximately $395,000, or 143.6%, compared to 2010. The growth in credit card and ACH fees was primarily due to the increase in the number of plans in force. Credit card and ACH fees represented 2.2% of revenues for 2011 and 2.3% of revenues for 2010.

General and Administrative Expenses

General and administrative expenses for 2011 were $4,762,000, an increase of $2,248,000, or 89.4%, compared to 2010. This increase in general and administrative expenses was driven by an increase in personnel costs of $1,456,000, professional fees of $157,000, selling and marketing expenses of $456,000 and other office related expenses of $178,000. Personnel costs increased primarily due to an increase in senior managerial staff. Professional fees increased as a result of legal fees and accounting costs associated with establishing a financial reporting department subsequent to the Acquisition. The increase in selling and marketing and other office related expenses was primarily due to our adoption of a revised sales strategy and adding additional employees to implement the strategy subsequent to the Acquisition. General and administrative expenses represented 15.9% of revenues for 2011 and 21.3% of revenues for 2010.

Depreciation and Amortization

Depreciation and amortization expenses for 2011 were $298,000, an increase of $291,000, compared to 2010. This increase was primarily driven by amortization of intangible assets that were recognized from the Acquisition.

Interest Expense

Interest expense for 2011 was $71,000, an increase of $71,000, compared to 2010. This increase was due to the bank loan agreement entered into September 2011 to finance the Acquisition.

Interest Income

Interest income for 2011 was $0, a decrease of $3,000, compared to 2010. This decrease was primarily driven by our decision to forgo interest in exchange for having our commercial accounts fully insured by the Federal Deposit Insurance Corporation (FDIC).

Quarterly Results of Operations

The following table sets forth our unaudited (with the exception of the three months ended December 31, 2011) quarterly statements of operations data for each of the four quarters presented below (certain items may not foot due to rounding). We have prepared the unaudited quarterly data on a consistent basis with the audited financial statements included in this prospectus. In the opinion of management, the financial information reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data. This information should be read in conjunction with our audited financial statements and the related notes included elsewhere in this prospectus. The results of historical periods are not necessarily indicative of the results of operations for a full year or any future period.

	Three Months Ended			
	September 30, 2012 (Successor) (unaudited)	June 30, 2012 (Successor) (unaudited)	March 31, 2012 (Successor) (unaudited)	December 31, 2011 (Successor)
	(in thousands)			
Statements of Operations:				
Revenues	$ 11,613	$ 9,945	$ 8,544	$ 8,090
Income from operations	963	940	856	602
Net income	907	883	796	531
EBITDA(1)	1,203	1,216	1,132	871

(1) "EBITDA" is defined as net income before interest expense, interest income and depreciation and amortization. EBITDA does not represent, and should not be considered as, an alternative to net income or cash flows from operations, each as determined in accordance with U.S. GAAP. We have presented

EBITDA because we consider it an important supplemental measure of our performance and believe that it is frequently used by analysts, investors and other interested parties in the evaluation of companies. Other companies may calculate EBITDA differently than we do. EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. See "–Key Business Metrics."

The following is a reconciliation of net income to EBITDA:

	Three Months Ended			
	September 30, 2012 (Successor) (unaudited)	June 30, 2012 (Successor) (unaudited)	March 31, 2012 (Successor) (unaudited)	December 31, 2011 (Successor)
	(in thousands)			
Net income	$ 907	$ 883	$ 796	$ 531
Interest expense	68	62	64	71
Interest income	–	–	–	–
Depreciation and amortization	228	271	272	269
EBITDA	$ 1,203	$ 1,216	$ 1,132	$ 871

Revenue increased sequentially in all quarters presented primarily due to an increasing number of members, as we continued to enroll new members and retain a large percentage of existing members.

There are seasonal factors that affect our revenue. A large number of undergraduate and post-graduate students complete their studies during the second fiscal quarter of each year and are no longer eligible for health insurance coverage through the insurance plans of their parents or educational institutions. As a result, we experience a higher volume of new member enrollment from these demographics during the third fiscal quarter when such students purchase our products, producing a seasonal increase in revenue. During the fourth quarter of each fiscal year, many of our call centers and licensed agents are closed or maintain shorter business hours for varying periods of time due to the holiday season. We experience a lower volume of new member enrollment during the fourth quarter compared with other quarters, resulting in a seasonal decrease in revenue.

Liquidity and Capital Resources

General

As of September 30, 2012, we had $982,000 of cash. Since the fourth quarter of fiscal 2009, we have funded our operations primarily with cash flows from operations and, to a lesser extent, working capital and borrowings, as described below.

During the nine months ended September 30, 2012, Health Plan Intermediaries, LLC paid cash distributions of $2,763,000 to Mr. Kosloske in accordance with the terms of its Operating Agreement. Such payments made to members in 2011 totaled $1,301,000 ($681,000 was paid to Naylor Group Partners, LLC and $620,000 was paid to Mr. Kosloske).

We experienced positive cash flows from operations during 2011. We expect that we will continue to generate positive cash flows from operations on an annual basis, although this may fluctuate significantly on a quarterly basis. We believe that our available cash, cash flows expected to be generated from operations and net proceeds from this offering will be adequate to satisfy our current and planned operations for at least the next 12 months . We believe that the net proceeds of this offering will be sufficient to implement our advance commission strategy. Our future capital requirements will depend on many factors, including our rate of revenue growth, the expansion of our sales and marketing activities, our expansion into other markets and our results of operations. To the extent that existing cash, cash from operations and credit facilities are insufficient to fund our future activities, we may need to raise additional funds through public equity or debt financing. The sale of

additional equity could result in additional dilution to our stockholders. If we raise additional funds by obtaining loans from third-parties, the terms of those financing arrangements may include additional covenants or other loan restrictions on our business that could impair our operating flexibility, and would also require us to incur interest expense. We can provide no assurance that additional financing will be available at all or, if available, that we would be able to obtain financing on terms acceptable to us.

Our Indebtedness

Term Loan Agreement. In September 2011, we entered into a bank loan agreement with SunTrust Bank with a principal amount of $4,250,000. The purpose of this bank loan was to finance the Acquisition of the remaining 50% interest in Health Plan Intermediaries, LLC as discussed in "Relationships and Related Party Transactions–Purchase of Membership Interest in Health Plan Intermediaries, LLC." Seventy-five percent of the loan is guaranteed by the U.S. Small Business Administration. Borrowings under the loan are secured by all of our assets, including, but not limited to, cash accounts, accounts receivable and property and equipment. The loan is further secured with a personal unlimited guarantee by Mr. Kosloske and Lori Kosloske, our Chief Broker Compliance Officer and Mr. Kosloske' s wife, and certain real properties owned by Mr. Kosloske and Mrs. Kosloske in Tampa, Florida and Keystone, Colorado. The loan is a five-year loan bearing fixed interest at 5.25% with equal monthly payments of $81,000. A balance of $3,490,000 remains outstanding as of September 30, 2012, including a current portion of $802,000.

The loan is subject to customary covenants and restrictions which, among other things, limit our ability to incur additional indebtedness. In addition, the loan agreement also includes certain financial covenants that would require immediate payment if we, among other things, reorganize, merge, consolidate, or otherwise change ownership or business structure without the bank' s prior written consent. We have obtained the bank' s written consent in order to effectuate this offering.

The loan agreement also contains customary representations and warranties and events of default. The payment of outstanding principal under the loan and accrued interest thereon may be accelerated and become immediately due and payable upon our default of payment or other performance obligations or our failure to comply with financial or other covenants in the loan agreement, subject to applicable notice requirements and cure periods as provided in the loan agreement.

We intend to use a portion of the net proceeds of this offering to repay all of the outstanding debt under the loan. See "Use of Proceeds."

Revolving Credit Facility. On January , 2013, we entered into a $2,000,000 revolving credit facility with SunTrust Bank to supplement the existing bank loan agreement with SunTrust Bank. The proceeds of any draw-down will be used to finance costs associated with this offering and to fund advance commission payments to distributors. The new revolving credit facility has a total commitment for loans up to $2,000,000. The maturity of the new revolving credit facility is January , 2014 and the loans bear interest at a rate of LIBOR plus 3.50%. Borrowings under the revolving credit facility are collateralized by substantially all of our assets (as well as the pledge of equity interests in Health Plan Intermediaries, LLC owned by Mr. Kosloske and a further assignment of a $4,500,000 life insurance policy on Mr. Kosloske), and SunTrust Bank has a second lien position behind SunTrust Bank' s existing first lien on substantially all of our assets pursuant to the existing bank loan agreement. The new revolving credit facility contains customary affirmative and negative covenants including, without limitation, a minimum net worth covenant and limitations on dividends during any event of default.

We intend to use a portion of the net proceeds of this offering to repay any and all of the outstanding debt under the revolving credit facility, which we intend to terminate immediately following the completion of this offering. See "Use of Proceeds."

Cash Flows

The following summary of cash flows for the periods indicated has been derived from our financial statements included elsewhere in this prospectus:

	Nine Months Ended September 30,		Year Ended December 31,	
	2012	2011	2011	2010
	(in thousands)			
Statements of Cash Flows Data:				
Net cash provided by (used in) operating activities	$ 4,643	$ 1,637	$ 2,247	$ (31)
Net cash used in investing activities	$ (213)	$ (38)	$ (5,392)	$ (80)
Net cash (used in) provided by financing activities	$ (4,066)	$ (1,305)	$ 3,757	$ 99

Cash Flows from Operating Activities

We experienced positive cash flows from operating activities during 2011 and 2010 primarily as a result of our increased revenues and the resulting net income during these periods. Our primary source of cash from operating activities is retention of commissions from premium equivalents. Our primary uses of cash for operating activities are for compensation-related expenditures, settlement of accounts payable to vendors and to fund our advance commission structure.

During the nine months ended September 30, 2012, cash provided by operating activities was $4,643,000 as compared to $1,637,000 for the nine months ended September 30, 2011. This increase of $3,006,000 was primarily due to an increase in net income as a result of revenue growth, an increase in vendor and carrier payable driven by sales growth and an increase in accounts payable, accrued and deferred expenses. The increase of $1,207,000 in accounts payable, accrued and deferred expenses compared to the prior period was primarily due to increased professional fees in connection with this offering, increased processing fees associated with sales growth and accrued wages driven by an increase in employee headcount in order to accommodate our growth. In addition, the increase in depreciation and amortization of $742,000 is a result of amortization of assets acquired in September 2011.

During the year ended December 31, 2011, cash provided by operating activities was $2,247,000 as compared to net cash used in operations of $(31,000) for the year ended December 31, 2010. This increase of $2,278,000 was primarily due to revenue growth and our scalable technology platform.

Cash Flows from Investing Activities

Our primary investing activities have consisted of purchases of equipment and the Acquisition. Our capital expenditures primarily consist of purchases of computer equipment, furniture and fixtures and computer software. In the future, we expect that we will continue to incur capital expenditures to support our expanding operations.

During the nine months ended September 30, 2012, cash used for investing activities was $213,000 as compared to $38,000 for the nine months ended September 30, 2011. The increase of $175,000 was primarily due to purchases of fixed assets required to support our growth.

During the year ended December 30, 2011, cash used in investing activities was $5,392,000 as compared to $80,000 for the year ended December 30, 2010. The increase of $5,312,000 was primarily due to payments made for the Acquisition.

Cash Flows from Financing Activities

Our financing activities have consisted primarily of issuance of long-term debt, periodic repayments of debt, capital contributions from members and distributions of earnings to our members.

During the nine months ended September 30, 2012, cash used in financing activities of $4,066,000 was primarily attributable to $2,763,000 of distributions made to Mr. Kosloske as sole member of Health Plan Intermediaries, LLC, $863,000 of payments to third-parties in connection with preparation of this offering, $573,000 of principal payments on our term loan, $100,000 of proceeds from a note payable, $50,000 of proceeds from our non-controlling interest in subsidiary and $8,000 of payments on capital leases.

During the year ended December 31, 2011, cash provided by financing activities was $3,757,000 as compared to $99,000 for the year ended December 31, 2010. This increase of $3,658,000 was primarily due to our entering into a bank loan agreement in September 2011 to finance the Acquisition.

Contractual Obligations

The following summarizes our contractual obligations as of September 30, 2012:

	Payments Due by Period				
	Total	Less Than 1 Year	1 to 3 Years	3 to 5 Years	More Than 5 Years
			(in thousands)		
Contractual Obligations:					
Operating leases	$598	$ 219	$ 378	$ 1	$ –
Software maintenance	1,508	312	624	572	–
Exclusivity agreement	928	192	384	352	–
Payments on debt obligations, including interest	3,884	968	1,937	979	–
Capital lease obligations	7	3	4	–	–
Other	100	100	–	–	–
Total contractual obligations(1)	$7,025	$ 1,794	$ 3,327	$ 1,904	$ –

(1) Payments to holders of Series B Membership Interests pursuant to our tax receivable agreement are excluded from our contractual obligations. For additional information, see "The Reorganization of Our Structure–Tax Receivable Agreement."

Off-Balance Sheet Arrangements

Through September 30, 2012, we had not entered into any off-balance sheet arrangements, other than the operating leases noted above, and do not have any holdings in variable interest entities.

JOBS Act

The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for qualifying public companies. As an "emerging growth company" we have elected under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. Additionally, we are in the process of evaluating the benefits of relying on the other reduced reporting requirements provided by the JOBS Act.

Subject to certain conditions set forth in the JOBS Act, if, as an "emerging growth company", we choose to rely on such exemptions we may not be required to, among other things, (1) provide an auditor' s attestation report on our system of internal controls over financial reporting pursuant to Section 404, (2) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act, (3) comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor' s report providing additional information about the audit and the financial statements (auditor discussion and analysis), and (4) disclose certain executive compensation related items such as the correlation between executive compensation and performance

and comparisons of the CEO' s compensation to median employee compensation. These exemptions will apply until the earliest of:

- the last day of the fiscal year following the fifth anniversary of the date of our initial public offering of common equity securities;
- the last day of the fiscal year in which we have annual gross revenue of $1.0 billion or more;
- the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt; and
- the date on which we are deemed to be a "large accelerated filer," which will occur at such time as the company (a) has an aggregate worldwide market value of common equity securities held by non-affiliates of $700 million or more as of the last business day of its most recently completed second fiscal quarter, (b) has been required to file annual and quarterly reports under the Securities Exchange Act of 1934 for a period of at least 12 months, and (c) has filed at least one annual report pursuant to the Securities Act of 1934.

Accordingly, we could remain an "emerging growth company" until as late as December 31, 2018.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates.

Interest Rate Risk

We had cash of $982,000 as of September 30, 2012, which consist of bank deposits with FDIC participating banks. The cash on deposit with banks is not susceptible to interest rate risk.

We had outstanding indebtedness of $3,490,000 as of September 30, 2012. Our outstanding indebtedness consists of a fixed rate term loan. Our obligations under the term loan carry interest rates that are fixed and are not subject to fluctuation.

We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Critical Accounting Policies

Our financial statements are prepared in accordance with United States Generally Accepted Accounting Principles (GAAP). The preparation of these financial statements requires our management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the applicable periods. We base our estimates, assumptions and judgments on historical experience and on various other factors that we believe to be reasonable under the circumstances. Different assumptions and judgments could change the estimates used in the preparation of our financial statements, which, in turn, could change the results from those reported. We evaluate our estimates, assumptions and judgments on an ongoing basis. The critical accounting estimates, assumptions and judgments that we believe have the most significant impact on our financial statements are described below. We have elected under the JOBS Act to delay adoption

of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates.

Revenue Recognition

Our revenues consist primarily of commissions earned for our insurance policies and discount benefit plans issued to members, enrollment fees paid by members and administration fees paid by members as a direct result of our enrollment services. The member' s payment includes a combination of premiums, fees for discount benefit plans, fees for distributors and enrollment fees, which are collectively referred to as "premium equivalents." Reported revenues are net of risk premium remitted to insurance carriers and amounts earned by third-party obligors. Commissions and fees attributable to the sale of STM plans and hospital indemnity policies represent substantially all our revenues for the periods presented. Revenues are net of an allowance for policies expected to be cancelled by members during a limited cancellation period. We establish the allowance for estimated policy cancellations through a charge to revenue. The allowance is estimated using historical data to project future experience. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported. We periodically review the adequacy of the allowance and record adjustments as necessary. The net allowance for estimated policy cancellations was $43,000 and $12,000 at September 30, 2012 and December 31, 2011, respectively.

Revenue is earned at the time of sale . Commission rates for all of our products are agreed to in advance with the relevant insurance carrier and vary by carrier and policy type. Under our carrier compensation arrangements, the commission rate schedule that is in effect on the policy effective date governs the commissions over the life of the policy. In addition, we earn enrollment and administration fees on policies issued.

We report our revenues net of amounts paid to our contracted insurance carrier companies and third-party obligors as we are not the ultimate party responsible for providing the insurance coverage or discount benefits to the member. As a result, we recognize the net amount of revenues earned as the agent in these transactions.

Goodwill and Intangible Assets

Our intangible assets arose from the Acquisition and consist of goodwill, in-force members, our brand, the carrier network and distributor relationships. Finite-lived intangible assets are amortized over their useful lives from eight months to seven years.

Goodwill and other intangible assets determined to have indefinite useful lives are not amortized, but are tested for impairment, at least annually or more frequently if indicators of impairment arise. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. We perform our annual review for goodwill impairment as of October 1 of each year.

The evaluation is performed by comparing the carrying amount of these assets to their estimated fair value. If the estimated fair value is less than the carrying amount of the intangible assets, an impairment charge is recorded to reduce the asset to its estimated fair value. Our valuation methodologies include, but are not limited to, a discounted cash flow model, which estimates the net present value of our projected cash flows and a market approach, which evaluates comparative market multiples applied to our business to yield a second assumed value.

In estimating fair value, our methodology requires us to make assumptions, the most material of which are sales projections attributable to products sold with these trade names and a weighted-average discount rate. These assumptions are subject to change based on changes in the markets in which these products are sold, which reflect our projections of future revenues. Factors affecting the weighted-average discount rate include assumed debt-to-equity ratios, risk-free interest rates, and equity returns of each of the market participants in our industry.

There have been no events that we believe would result in an impairment of goodwill and intangible assets as of September 30, 2012.

Advanced Commissions

Advanced commissions consist of amounts advanced to certain third-party distributors. We began advancing commissions in November 2011. We perform ongoing credit evaluations of our distributors, all of which are located in the United States. We recover the advanced commissions from future commissions earned on premiums collected. We have not experienced any credit losses from commission advances and accordingly, have not recognized any provision for bad debt expense at September 30, 2012. A fee for the advanced commission of up to 2% of the insurance premiums advanced is charged to the distributors and recognized as other income as earned. Advanced commissions outstanding at September 30, 2012 and December 31, 2011 totaled approximately $300,000 and $24,000, respectively.

Property and Equipment

Property and equipment is carried at cost, less accumulated depreciation. As a result of the Acquisition and the related application of purchase accounting to the acquired assets and liabilities, there is a new basis of property and equipment subsequent to the acquisition date. Depreciation expense for property and equipment is computed using the straight-line method over the estimated useful lives of the respective assets, with two to three years for computer equipment and seven years for furniture and fixtures. Leasehold improvements are depreciated over the shorter of the lease term or estimated useful life. We periodically review long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying value of the assets may not be recoverable. No impairment losses were recognized for the periods presented.

Change in Accountants

On July 9, 2012, Fabricant, Weissman & Darby, P.A., whom we refer to as the Former Auditors, was dismissed as Health Plan Intermediaries, LLC' s certified public accounting firm. Mr. Kosloske, as sole member of Health Plan Intermediaries, LLC, approved their dismissal on July 9, 2012. The dismissal of the Former Auditors was effective immediately.

The Former Auditors' audit reports on Health Plan Intermediaries, LLC' s financial statements for fiscal year 2011 and 2010 did not contain any adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the two most recent fiscal years and through the subsequent interim period on or prior to dismissal, (a) there were no disagreements between Health Plan Intermediaries, LLC and the Former Auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of the Former Auditors, would have caused the Former Auditors to make reference to the subject matter of the disagreement in connection with its report; and (b) no reportable events as set forth in Item 304(a)(1)(v)(A) through (D) of Regulation S-K of the Securities Act have occurred.

Effective on July 9, 2012, Mr. Kosloske, as sole member of Health Plan Intermediaries, LLC, appointed Ernst & Young LLP as its new independent registered public accounting firm for the fiscal periods from October 1, 2011 to December 31, 2011 (Successor) and January 1, 2011 to September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor). During the two most recent fiscal years and the interim period preceding the engagement of Ernst & Young LLP, we did not consult with Ernst & Young LLP regarding the application of accounting principles to a specified transaction, either completed or proposed, or any of the matters or events set forth in Item 304(a)(2) of Regulation S-K.

Health Plan Intermediaries, LLC was not a SEC filer at the time of the Former Auditors' dismissal.

BUSINESS

Overview

Our Company

We are a leading developer and administrator of affordable, web-based individual health insurance plans and ancillary products. Our highly scalable, proprietary, web-based technology platform allows for mass distribution of, and online enrollment in, our large and diverse portfolio of affordable health insurance offerings.

Our technology platform provides customers, who we refer to as members, immediate access to our products through our distribution partners anytime, anyplace. The health insurance products we develop are underwritten by insurance carrier companies, and we assume no underwriting, insurance or reimbursement risk. Members can price and tailor product selections to meet their needs, buy policies and print policy documents and identification cards in real-time. Our sales are executed online and offer instant electronic fulfillment. Our technology platform uses abbreviated online applications, some with health questionnaires, to provide an immediate accept or reject decision on applications for all products that we offer. Once an application is accepted, individuals can use our automated payment system to complete the enrollment process and obtain instant electronic access to their policy fulfillment documents, including the insurance policy, benefits schedule and identification cards. We receive credit card and Automated Clearing House (ACH) payments directly from members at the time of sale. Our technology platform provides significant operating leverage as we add members and reduces the costs associated with marketing, selling, underwriting and administering policies.

We are an industry leader in the sale of 12-month short-term medical, or STM, insurance plans, an alternative to traditional Individual Major Medical, or IMM, plans, which provide lifetime renewable coverage. STM plans generally offer qualifying individuals comparable benefits for fixed short-term durations of six or 12 months at approximately half the cost of IMM plans. While applications for IMM insurance may take up to 60 days to process, STM plans feature a streamlined underwriting process offering immediate coverage options. We also offer guaranteed-issue hospital indemnity plans for individuals under the age of 65, which pay fixed cash benefits for covered procedures and services, and a variety of ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/critical illness plans that are frequently purchased as supplements to STM and hospital indemnity plans. We design and structure insurance products on behalf of insurance carrier companies, market them to individuals through our large network of distributors and manage member relations via our online member portal, which is available 24 hours a day, seven days a week. Our online enrollment process allows us to aggregate and analyze consumer data and purchasing habits to track market trends and drive product innovation. We have established relationships with several highly rated insurance carriers, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA, among others. In addition, as of September 30, 2012, the large independent distribution network we access consists of 32 licensed agent call centers and 248 wholesalers, including Marsh, eHealthInsurance and MasterCard, among others, that work with over 7,300 licensed brokers. Our data-driven product design, technology platform and extensive distribution network have enabled us to grow our revenues from $11,790,000 in 2010 to $29,878,000 in 2011, and from $21,788,000 in the nine-month period ended September 30, 2011 to $30,102,000 in the nine-month period ended September 30, 2012.

We focus on the large and under-penetrated segment of the U.S. population who are uninsured or underinsured, which includes individuals who are unable to afford traditional IMM premiums, individuals not covered by employer-sponsored insurance plans, such as those who are self-employed as well as small business owners and their employees, and underserved “gap populations” that require insurance due to changes caused by life events, such as new graduates, divorcees, early retirees, military discharges, the unemployed, part-time and seasonal employees and temporary workers. Our target market consists of approximately 64 million Americans, including approximately 50 million Americans who were uninsured in 2010, according to the U.S. Census Bureau, and approximately 14 million non-elderly Americans who purchased individual health insurance plans in 2010, according to a 2010 Kaiser Family Foundation survey. As of September 30, 2012, we had approximately 24,416

STM members. We expect the number of uninsured and underinsured to significantly increase due to the rising costs and burdensome underwriting requirements of traditional IMM plans and a decline in employer-sponsored health insurance programs.

As of September 30, 2012, we had 24,416 STM plans in force, compared with 16,838 on September 30, 2011, with an average monthly retention rate of 80% from September 30, 2011 to September 30, 2012. We earn our revenues from commissions and fees related to the sale of products to our members. Our ancillary products have created several additional revenue streams and resulted in a significant portion of our business being generated by monthly member renewals. For the nine months ended September 30, 2012, our premium equivalents, revenue and EBITDA were $54,549,000, $30,102,000 and $3,551,000, respectively, representing a 42.6%, 38.2% and 89.8% increase compared to premium equivalents, revenues and EBITDA of $38,257,000, $21,788,000 and $1,871,000, respectively, for the nine months ended September 30, 2011. See "Selected Historical Financial and Operational Data" for a discussion regarding the use of premium equivalents and EBITDA as financial measures and for reconciliations to the most directly comparable GAAP financial measures.

Health Insurance Industry and Market Opportunity

We believe ongoing changes in the health insurance industry will expand and reshape our target market. For example, the Patient Protection and Affordable Care Act, or PPACA, and the Health Care and Education Reconciliation Act of 2010, or HCERA, which we refer to, collectively, as Healthcare Reform, were signed into law on March 23, 2010. After facing a number of legal challenges, Healthcare Reform was upheld by the U.S. Supreme Court on June 28, 2012. Healthcare Reform includes a mandate requiring individuals to carry health insurance or face tax penalties; a mandate that certain employers with over 50 employees offer their employees group health insurance coverage or face tax penalties; prohibitions against insurance companies that offer traditional IMM insurance plans using pre-existing health conditions as a reason to deny an application for health insurance; and medical loss ratio, or MLR, requirements that require each health insurance carrier to spend a certain percentage of its IMM premium revenue on reimbursement for clinical services and activities that improve healthcare quality.

According to a 2011 McKinsey survey, the implementation of Healthcare Reform will likely increase the number of Americans in the individual health insurance market from 14 million to more than 100 million starting in 2014. We believe this increase will be primarily driven by two key factors: employers dropping group coverage and an additional 45 million uninsured Americans entering the individual insurance market. The McKinsey survey estimates that approximately 30% of employers would "definitely" or "probably" drop employer-sponsored insurance starting in 2014. The estimated penalty employers will face for not providing their employees coverage is $2,000 per employee for employers with over 50 employees (there is no penalty for employers with less than 50 employees), which is significantly less than the estimated price currently paid for employee coverage ($9,000 to $14,000 per employee). Assuming a 30% drop in employer-sponsored insurance, approximately 50 million Americans would join the individual health insurance market starting in 2014. In addition, because Americans will face penalties if they are uninsured, we expect that a large number of the current uninsured population of 50 million will enter the individual health insurance market. Accordingly, after 2014, we expect that the individual health insurance market will grow more than 600% to over 100 million policyholders, representing annual individual aggregate health insurance premiums in the United States of approximately $361 billion, compared with approximately $50 billion in 2010.

We believe certain dynamics in the health insurance industry present an opportunity to increase our market share in the individual health insurance market. For example, the minimum MLR thresholds require that IMM carriers use 80% of all premiums collected to pay claims. This has significantly reduced distributor commission rates on traditional IMM policies, forcing many distributors to abandon the traditional face-to-face IMM sales model. Starting in 2014, IMM carriers will also be subject to a pre-existing condition mandate, requiring them to accept all customers regardless of their pre-existing conditions. This "must-carry" pre-existing conditions

requirement will further increase the costs of IMM coverage. Unlike traditional IMM plans, our STM products are exempt from the minimum MLR thresholds and "must-carry" pre-existing conditions requirements under Healthcare Reform, allowing us to offer attractive distributor commission rates while providing affordable products for individuals. In addition, Healthcare Reform also requires that states establish health insurance exchanges where uninsured individuals can select and purchase health insurance plans. We believe that these exchanges will further the transition from group-based insurance coverage to individual health insurance coverage, and that our STM products will be an attractive option in the non-subsidized exchange environment. Moreover, consumers are increasingly accessing the Internet to find affordable health insurance solutions. The current number of Internet users in the United States continues to grow and, according to a report published by Pew Research Center, represented 74% of the population in 2010. In addition, according to the same report, 33% of Internet users in 2010 looked online for information related to health insurance. This represents approximately 75 million Americans who used the Internet to access information related to health insurance in 2010.

We intend to aggressively pursue opportunities to help consumers identify our STM products as the right choice for healthcare coverage, and we believe our technology platform, product focus and industry expertise will allow us to gain an increasing share of this growing market.

Our Solutions

We believe that our products address a significant portion of the issues facing the healthcare system in the United States and improve access to coverage for certain underserved segments of the population.

Lack of Access to Health Insurance. Due to the streamlined underwriting process for our STM plans, we are able to provide an instant decision regarding acceptance. Individuals applying for STM coverage only have to answer an abbreviated, online questionnaire regarding the status of their health to screen for risks that cannot be supported by the rate structure and design of the plan before a decision is generated. We also offer hospital indemnity plans under which members are paid fixed dollar amounts by procedure or service according to a defined schedule which includes doctor visits, lab tests, surgeries and hospitalizations. As these plans are not based on an individual' s health status, they guarantee issuance to individuals under the age of 65 and provide a viable coverage alternative for otherwise uninsurable individuals.

Growing Number of Uninsured and Underinsured Americans. We focus on the large and under-penetrated segment of the U.S. population that is uninsured or underinsured. According to the U.S. Census Bureau, 16% of Americans were uninsured in 2011, representing approximately 50 million individuals. In addition, the percentage of non-elderly Americans with employer-sponsored insurance decreased from 68% in 2000 to 59% in 2009, driving more Americans into the individual health insurance market. The number of uninsured and underinsured Americans continues to grow in part due to reductions in employer-provided health benefits.

High Cost of Health Insurance. We offer affordable alternatives to IMM. According to the U.S. Census Bureau, approximately 34 million of the 50 million uninsured Americans in 2011 were members of families with annual incomes of less than $50,000. Based on these figures, we estimate that a sizable portion of the uninsured population chooses not to purchase insurance primarily due to its high cost. According to a 2010 Kaiser Family Foundation survey, traditional IMM premiums increased an average of approximately 20% over a 12-month period, while the cost of our STM plans remained stable. In addition, as a result of Healthcare Reform, IMM premiums are expected to increase significantly in price as a result of guaranteed issue requirements for individuals with pre-existing health conditions. For individuals with pre-existing conditions, we currently offer guaranteed-issue hospital indemnity plans and, only where required by state mandate, STM plans. The implementation of Healthcare Reform will not expand our coverage of such individuals, allowing us to continue to offer attractive distributor commission rates while providing affordable products for members.

Our Competitive Strengths

We have the following key competitive strengths that we believe collectively provide significant barriers to entry:

Value Generated for All Key Constituents. By combining extensive management experience with our technology platform, we have developed a business model that we believe enables us to create a "win-win" proposition for our key constituents.

Our Carriers. We offer carriers access to a large member base with no covered pre-existing conditions. Our technology platform connects our carriers directly to a large independent distribution network. Our platform also provides our carriers access to real-time sales and membership data. We use this information to assist our carriers in designing products that cater to their target populations. We currently utilize several carrier companies, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA, among others. Our management team has long-standing relationships with most of the major carrier companies we utilize and has not lost a carrier relationship in over 10 years.

Our Distributors. At a time when commission rates on many health insurance products, including traditional IMM plans, are declining, we provide our distributors with specialized, highly sought-after product offerings and a compensation structure characterized by attractive commission rates and advance payments. We believe our long-standing relationships with most of the major carriers we utilize, as well as our technology platform, which enables real-time underwriting decisions, immediate sales conversions and access to commission data and selling tools, drive demand for distributors to partner with us. We also offer a turnkey solution that allows us to design products that best meet our distributors' needs. This solution enables us to assist our distributors in choosing between insurance carriers on a single website and allows them to create customized products for their customers by bundling our STM and hospital indemnity products with our various ancillary products into one package. As of September 30, 2012, we utilized a network of 32 licensed agent call centers and 248 wholesalers that work with over 7,300 licensed brokers nationally.

Our Members. We provide our members with easy access to health insurance coverage at an affordable price. For qualifying individuals, our STM plans offer benefits comparable to traditional IMM plans at approximately half the cost. For example, according to a 2010 Kaiser Family Foundation survey, the average cost for an IMM plan is $3,606 for an individual and $7,102 for a family. However, the average cost for one of our 12-month STM plans is $1,800 for an individual and $3,600 for a family. Our technology platform allows our members to compare and quote prices for a broad spectrum of STM and hospital indemnity products and, after they have made informed purchase decisions, to buy and print policies online. In addition to STM and hospital indemnity plans, we allow our members the opportunity to purchase high quality ancillary products with automatic, monthly renewals at rates that fit our members' budgets, all at the click of a button. For example, in September 2012, in addition to the 5,489 STM plans that we sold, we successfully cross-sold 3,008 new ancillary products that month.

Proprietary, Web-Based Technology Platform. We believe our technology platform represents a distinct competitive advantage as it reduces the need for customer care agents and provides significant operating leverage as we add members and product offerings. Our primary technology platform is named A.R.I.E.S. (Automated Real-Time Integrated E System). We believe our business benefits from the increasing trend of Internet use by individuals to research and purchase health insurance. The Internet offers a means of providing individuals access to health insurance products 24 hours a day, seven days a week and, for the carriers and distributors, reduces the cost and time associated with marketing, selling, underwriting and administering these products. We believe our target market is increasingly researching and applying for health insurance products online and shifting away from more traditional buying patterns. We believe our technology platform positions us for strong continued growth due to the following factors:

Plan and Product Design. Our technology platform provides real-time data that enables us, our carriers and our distributors to receive immediate information on our members, and allows us to design

products that meet the changing demands of the market. Our platform also allows individuals to supplement our STM and hospital indemnity offerings with ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/ critical illness plans and makes it possible for us to instantly offer these products, which can be bundled to fit member needs.

Sales. Our technology platform combined with our customer service model drives faster sale conversions. The entire underwriting procedure is processed through our technology platform, which uses abbreviated, online health questionnaires and provides an immediate accept or reject decision, allowing for instant electronic fulfillment. Individuals can obtain full access to our technology platform through our distribution partners and can price products, buy policies and print their policy documents and identification cards anytime, anyplace. Our call centers use our technology platform to, among other functions, perform online, real-time electronic quoting, to process electronic applications and to provide instant electronic approval and fulfillment, back-office administrative support and commission reporting.

Distribution. Our technology platform allows for low cost mass distribution of our products and provides significant operating leverage. Our automated payment system allows us to collect credit card and ACH payments electronically and directly from members and to disburse commission payments to our distributors in advance, weekly or monthly. In addition, the system provides distributors with direct access to commission statements, selling tools, reporting tools (for example, information as to cancelations, failed credit card and ACH payments and persistency, renewal and cross-sell rates) and custom links to support their business.

Compliance. In addition to our A.R.I.E.S. platform, we have obtained a license to use a technology platform called HiiVe, which we use to implement a highly automated compliance program that has enhanced quality while minimizing overhead and allowed us to offer higher commissions to our distributors. The compliance program enables us to record each enrollment phone call, retrieve archived calls within seconds and score calls based on script adherence.

Established Long-Standing Insurance Carrier Relationships. Our access to carriers is essential to our business. Our management team has developed close relationships with the senior management teams of many of our insurance carriers, some lasting over 15 years. Our management team has not lost a carrier relationship in over 10 years. We believe that the nature of our relationships with our insurance carriers, combined with our product knowledge and technology platform, allow us to provide value-added products to our members.

Extensive Long-Term Relationships with Licensed Insurance Distributors. We believe our product expertise, our relationships with multiple insurance carriers, our focus on compliance and our technology platform make us a partner of choice for our distributors. We offer an appealing, incentive-based compensation structure that we believe drives demand for distributors to partner with us. We have extensive knowledge of the individual health insurance products that we design and administer, which allows us to assist our distribution partners in placing business. Our management team has built a broad distribution network and continuously adds new distributors. As of September 30, 2012, we utilized a network of 32 licensed agent call centers and 248 wholesalers that work with over 7,300 licensed brokers. Over the last 12 months, we added over 3,700 licensed brokers, 10 independent licensed broker call centers and 59 wholesalers to our national distributor network.

Seasoned Management Team. Our management team has substantial experience and long-standing relationships developed over an average of 25 years in the insurance industry. Our management team draws on its industry experience to identify opportunities to expand our business and collaborate with insurance carriers and distributors to help develop products and respond to market trends. In addition, the majority of our management team has worked together under the leadership of Michael W. Kosloske, our Chairman, President, and Chief Executive Officer, for more than a decade.

Our Strategy

Our objective is to continue to expand our business and increase our presence in the affordable, web-based health insurance solutions market. Our principal strategies to meet this objective are:

Expand and Enhance Distributor Relationships, Distribution Channels and Lead Generation Methods. We believe we will continue to attract new distributors as the insurance marketplace continues to evolve, and we intend to continue to identify large distributor and lead relationships through the following strategies:

Advance Commission Structure. We will continue to focus on attracting additional distributors through expansion of our advance commission structure. We believe distributors increasingly demand alternative methods to fund the large and growing costs of lead generation. We estimate that these costs usually range from $2 to $20 per lead and represent a significant startup cost for our distributors. We are in the process of growing our advance commission structure, whereby we pay distributors commissions on policies sold in advance of when they would ordinarily be due to the distributor. Commissions are advanced for up to six months and are made to distributors with an established track record of selling our products. In return, we reduce subsequent commission fees payable to the distributor by up to 2% of premiums for each month that we advance commissions. We believe this structure will assist our distributors in funding their lead generation costs and will provide us with a competitive advantage in attracting and retaining distributors and will increase sales.

Call Centers. We believe we can grow our distribution network organically by developing call center managers and incentivizing them via attractive commissions. As part of this strategy, we assist in enhancing the sales model of many of our current call centers in order to increase efficiencies and maximize returns, and we established our Insurance Academy in June 2012 to expand the number of call centers selling our products. We anticipate that our Insurance Academy operations will closely resemble a "franchise model," in that we will provide the tools (sales scripts, key metrics, lead programs, compensation programs, technology systems, etc.) for building a profitable and successful call center that focuses on selling our products and leverages our technology. Our goal is to assist in the training of owners and managers, who in return agree to enter into long-term agreements with us, under which they are required to market our products. We anticipate establishing relationships with 10 to 20 new call centers per year through our Insurance Academy initiative. We believe that this will enhance our ability to convert leads from our current distribution channels into sales.

Lead Generation and Innovative Distributor Relationships. We will continue to identify large and innovative distributor and lead relationships that we believe will increase revenue and diversify distribution. For example, in September 2012, we entered into an agreement whereby MasterCard, through its approved pre-paid card member networks, will assist us in targeting and acquiring new relationships or "leads" for marketing our products. Upon notification from MasterCard of a prospective lead, we will negotiate a separate referral fee arrangement with MasterCard at which point such prospective lead will be identified to us. We will then attempt to enter into an agreement with the prospective lead under which it will provide us with a list of its customers who hold MasterCard prepaid cards or it will directly market our products to those customers on our behalf. For example, we have entered into such an agreement with KEEPS America LLC, or KEEPS, for our prescription benefits cards. When sending their own pre-paid cards to customers, KEEPS includes our prescription benefits cards in the mailing. If the KEEPS customer uses our card, we pay KEEPS and MasterCard referral fees in connection with the distribution. To further expand our lead generation efforts, we will also continue to explore methods of screening member data for key demographic factors to identify populations for whom our products are well suited.

Increase Sales of Hospital Indemnity and Ancillary Products. We believe we have a significant opportunity to expand our market share in the hospital indemnity market. Our hospital indemnity plans in force have remained relatively stable with approximately 7,000 plans in force at December 31, 2010 and 5,841 plans in force at September 30, 2012. After the implementation of Healthcare Reform in 2014,

we expect hospital indemnity plans to be increasingly used to supplement high deductible plans. In addition, our technology platform enables us to sell ancillary products that carry higher profit margins than our core STM products and that can be issued to a broader population than STM plans. Our members demand a wide range of ancillary products, including pharmacy benefit cards and dental, cancer and critical illness plans. Ancillary product policies in force grew from zero at December 31, 2010 to 23,040 at September 30, 2012. We believe we are well-positioned to take advantage of these additional opportunities at the time of sale.

Enhance Product and Name Recognition . We are focused on increasing our marketing efforts to consumers. We intend to aggressively pursue opportunities to help consumers identify our products as the right choice for health insurance coverage. We are pursuing multiple avenues to increase our brand awareness among distributors, carriers and our target market, such as through our arrangement with MasterCard that introduces our products and name to MasterCard' s large pre-paid card member networks.

Develop and Establish New and Specialized Products to Meet Consumer Needs. We plan to continue to develop and add new products to our existing portfolio of offerings. By leveraging our technology platform member data, feedback gathered by customer service agents and distributors and expertise in plan design, we believe we are well-positioned to design and bundle products that meet customer needs and add a viable source of revenue for us, our distributors and our carriers. For example, in June 2012, we introduced our cancer plan. We sold 517 of these policies in the first month, and we are currently developing new products, including fully-insured prescription cards.

Our Products

Our differentiated product offering allows us to build leading positions in our target markets for insurance products and related services. The key products we provide include:

Short-Term Medical Plans. Our STM plans cover individuals for up to six- and 12-month periods with a wide range of co-pay and deductible options at approximately half the cost of traditional IMM plans. For example, according to a 2010 Kaiser Family Foundation survey, the average cost for an IMM plan is $3,606 for an individual and $7,102 for a family. However, the average cost for one of our 12-month STM plans is $1,800 for an individual and $3,600 for a family. STM plans offer similar benefits for qualifying individuals as IMM plans. For example, both STM plans and IMM plans offer a choice of deductibles, a choice of coinsurance, coverage for emergency room care, surgeries, x-rays, lab work, diagnostics, doctor office co-payments, and preferred provider organization or "PPO" network discounts. However, while IMM plans cover prescription drugs, pre-existing conditions and preventive care, STM plans provide optional coverage for prescription drugs and do not cover pre-existing conditions or preventive care unless such coverage is mandated by the state. STM plans do not cover certain medical events such as pregnancy. Additionally, while IMM plans have guaranteed renewability and can be of a permanent duration, STM plan renewal is not guaranteed and STM plans have a limited duration of up to 12 months. Our STM plans provide up to $2 million of lifetime coverage for each insured individual, allow members to choose any doctor or hospital, offer $50 physician office and urgent care co-pays, cover foreign travel and offer phone access to physician services. As of September 30, 2012, we had 24,416 STM plans in force. For the nine months ended September 30, 2012, revenues associated with the sale of our STM plans accounted for approximately 70% of our revenues for the period.

Hospital Indemnity Plans. Our hospital indemnity plans provide a daily cash benefit for hospital treatment and doctor office visits as well as accidental injury and death or dismemberment benefits. The claims process for hospital indemnity plans is streamlined: the member simply provides proof of hospitalization and the carrier pays the benefits. These policies are primarily used by customers who do not have adequate health insurance and do not qualify for our STM plans or who wish to supplement existing coverage, typically in conjunction with high deductible plans. As of September 30, 2012, we had 5,841 hospital indemnity plans in force. For the nine months ended September 30, 2012, revenues

associated with the sale of our hospital indemnity plans accounted for approximately 26% of our revenues for the period.

Ancillary Products. We provide numerous low-cost ancillary insurance products, including pharmacy benefit cards, dental plans and cancer/critical illness plans. These are typically monthly policies with automatic renewal. As of September 30, 2012, we had 23,040 ancillary product plans in force. For the nine months ended September 30, 2012, revenues associated with the sale of our ancillary products accounted for approximately 4% of our revenues for the period.

Healthcare Laws and Regulations

Our business is subject to extensive, complex and rapidly changing federal and state laws and regulations. Various federal and state agencies have discretion to issue regulations and interpret and enforce healthcare laws. While we believe we comply in all material respects with applicable healthcare laws and regulations, these regulations can vary significantly from jurisdiction to jurisdiction, and interpretation of existing laws and regulations may change periodically. Federal and state legislatures also may enact various legislative proposals that could materially impact certain aspects of our business. The following are summaries of key federal and state laws and regulations that impact our operations:

Healthcare Reform

In March 2010, Healthcare Reform was signed into law. Healthcare Reform contains provisions that have changed and will continue to change the health insurance industry in substantial ways. For example, Healthcare Reform includes a mandate requiring individuals to be insured or face tax penalties; a mandate that employers with over 50 employees offer their employees group health insurance coverage or face tax penalties; prohibitions against insurance companies that offer traditional IMM plans using pre-existing health conditions as a reason to deny an application for health insurance; MLR requirements that require each health insurance carrier to spend a certain percentage of their premium revenue on reimbursement for clinical services and activities that improve healthcare quality; establishment of state and/or federal health insurance exchanges to facilitate access to, and the purchase of, health insurance; subsidies and cost-sharing credits to make health insurance more affordable for those below certain income levels; and expanded eligibility for Medicaid for individuals and families with incomes of up to 133% of the poverty level.

Healthcare Reform amended various provisions in many federal laws, including the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 and the Public Health Services Act. Healthcare Reform is being implemented by the Department of Health and Human Services, the Department of Labor and the Department of Treasury. These agencies have already issued a number of proposed, interim final and final regulations, as well as general guidance, on key aspects of Healthcare Reform. While many aspects of Healthcare Reform do not become effective until 2014, health insurance carriers have been required to maintain MLRs of 80% in their individual and family health insurance business since the beginning of 2011.

These laws have been the subject of multiple constitutional challenges and the U.S. Supreme Court held hearings in March 2012 in *National Federation of Independent Business v. Sebelius* to review the constitutionality of Healthcare Reform. On June 28, 2012, the United States Supreme Court released its decision, upholding Healthcare Reform' s mandate requiring individuals to purchase health insurance. Also, under the U.S. Supreme Court' s ruling, states are able to opt out of expanding Medicaid eligibility to families and individuals with incomes up to 133% of the poverty level. Despite the decision, some uncertainty about whether parts of Healthcare Reform or Healthcare Reform in its entirety will remain in effect is expected to continue with the possibility of future litigation with respect to certain provisions as well as legislative efforts to repeal and defund portions of Healthcare Reform or Healthcare Reform in its entirety. We cannot predict the outcome of any future legislation or litigation related to Healthcare Reform. As described under "–Health Insurance Industry and Market Opportunity," we expect Healthcare Reform to result in profound changes to the individual health insurance market and our business.

Anti-Kickback Laws

In the United States, there are federal and state anti-kickback laws that generally prohibit the payment or receipt of kickbacks, bribes or other remuneration in exchange for the referral of patients or other health-related business. The United States federal healthcare programs' Anti-Kickback Statute makes it unlawful for individuals or entities knowingly and willfully to solicit, offer, receive or pay any kickback, bribe or other remuneration, directly or indirectly, in exchange for or to induce the referral of an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a federal healthcare program or the purchase, lease or order, or arranging for or recommending purchasing, leasing, or ordering, any good, facility, service, or item for which payment may be made in whole or in part under a federal healthcare program. Penalties for violations include criminal penalties and civil sanctions such as fines, imprisonment, and possible exclusion from federal healthcare programs.

Federal Civil False Claims Act and State False Claims Laws

The federal civil False Claims Act imposes liability on any person or entity who, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment by a federal healthcare program. The "qui tam" or "whistleblower" provisions of the False Claims Act allow a private individual to bring actions on behalf of the federal government alleging that the defendant has submitted a false claim to the federal government, and to share in any monetary recovery. Our future activities relating to the manner in which we sell and market our services may be subject to scrutiny under these laws.

HIPAA, Privacy and Data Security Regulations

By processing data on behalf of our clients and customers, we are subject to specific compliance obligations under privacy and data security-related laws, including the Health Insurance Portability and Accountability Act, or HIPAA, the Health Information Technology for Economic and Clinical Health Act, or the HITECH Act, and related state laws. We are also subject to federal and state security breach notification laws, as well as state laws regulating the processing of protected personal information, including laws governing the collection, use and disclosure of social security numbers and related identifiers.

The regulations that implement HIPAA and the HITECH Act establish uniform standards governing the conduct of certain electronic healthcare transactions and protecting the security and privacy of individually identifiable health information maintained or transmitted by healthcare providers, health plans, and healthcare clearinghouses, all of which are referred to as "covered entities," and their "business associates" (which is anyone who performs a service on behalf of a covered entity involving the use or disclosure of protected health information and is not a member of the covered entity' s workforce). Our carrier companies' and our clients' health plans generally will be covered entities, and as their business associate they may ask us to contractually comply with certain aspects of these standards by entering into requisite business associate agreements.

As part of the payment-related aspects of our business, we may also undertake security-related obligations arising out of the Gramm-Leach-Bliley Act and the Payment Card Industry guidelines applicable to card systems. These requirements generally require safeguards for the protection of personal and other payment related information.

HIPAA Healthcare Fraud Standards

The HIPAA healthcare fraud statute created a class of federal crimes known as the "federal healthcare offenses," including healthcare fraud and false statements relating to healthcare matters. The HIPAA healthcare fraud statute prohibits, among other things, executing a scheme to defraud any healthcare benefit program while the HIPAA false statements statute prohibits, among other things, concealing a material fact or making a materially false statement in connection with the payment for healthcare benefits, items or services. Entities that are found to have aided or abetted in a violation of the HIPAA federal healthcare offenses are deemed by statute to have committed the offense and are punishable as a principal.

State Privacy Laws

In addition to federal regulations issued under HIPAA, some states have enacted privacy and security statutes or regulations, or State Privacy Laws, that govern the use and disclosure of a person' s medical information or records and, in some cases, are more stringent than those issued under HIPAA. These State Privacy Laws include regulation of health insurance providers and agents, regulation of organizations that perform certain administrative functions such as utilization review or third-party administration, issuance of notices of privacy practices, and reporting and providing access to law enforcement authorities. In those cases, it may be necessary to modify our operations and procedures to comply with these more stringent State Privacy Laws. If we fail to comply with applicable State Privacy Laws, we could be subject to additional sanctions.

Consumer Protection Laws

Federal and state consumer protection laws are being applied increasingly by the United States Federal Trade Commission, or FTC, and states' attorneys general to regulate the collection, use, storage and disclosure of personal or patient information, through websites or otherwise, and to regulate the presentation of web site content. Courts may also adopt the standards for fair information practices promulgated by the FTC, which concern consumer notice, choice, security and access.

State Insurance Laws

Some of the states in which we operate have laws prohibiting unlicensed persons or business entities, including corporations, from making certain direct and indirect payments or fee-splitting arrangements with licensed insurance agents and brokers. Possible sanctions for violation of these restrictions include loss of license and civil penalties. These statutes vary from state to state, are often vague and have seldom been interpreted by the courts or regulatory agencies.

State insurance laws also require us to maintain an insurance agency or broker license in each state in which we transact health insurance business and adhere to sales, documentation and administration practices specific to that state. In addition, each of our employees who solicits, negotiates, sells or transacts health insurance business for us must maintain an individual insurance agent or broker license in one or more states. Because we transact business in the majority of states, compliance with health insurance-related laws, rules and regulations is difficult and imposes significant costs on our business.

State regulations may also require that individuals enroll in group programs or associations in order to access certain insurance products, benefits and services. We have entered into relationships with such associations in order to provide individuals access to our products. For example, we have an agreement with Med-Sense Guaranteed Association, or Med-Sense, a non-profit association that provides membership benefits to individuals and gives members access to certain of our products. Under the agreement, we primarily market membership in the association and collect certain fees and dues on its behalf. In return, we have sole access to its membership list, and Med-Sense exclusively endorses the insurance products that we offer. Under the agreement, we receive a monthly fee per member. Our agreement with Med-Sense is automatically renewable for one-year terms, unless terminated on 120 days written notice by either party. The agreement is also terminable on 15 days written notice by either party under certain circumstances, such as in the case of a breach of the agreement.

Sales and Marketing

Our sales and marketing initiatives primarily consist of hiring seasoned sales professionals who have worked with or been referred to us by our distributors in order to strengthen our relationships with such distributors, marketing campaigns and attendance at meetings and conferences associated with acquiring new distributors. As we do not distribute insurance products to individuals, we utilize third party distributors to market our products directly to potential members, and are engaged in their own sales and marketing efforts that include investments in lead acquisition, online marketing and customer referrals. We focus on building brand awareness among our distributors and members, increasing the number of distributors and converting sales leads into buyers. Our marketing initiatives include:

Third-Party Distributors. Our third-party distributor acquisition channel consists of independent licensed agent call centers and individual insurance brokers who market directly to individuals. We have established several initiatives to assist these call centers and distributors in helping individuals select our products, including the provision of sales scripting and monitoring services through the HiiVe technology platform discussed under "−Technology." We generally compensate our distributors for their individual health insurance sales based on the consumer submitting a health insurance application to us. If a marketing partner is licensed to sell health insurance, we may share a percentage of the commission revenue we earn from the health insurance carrier for each member referred by that distributor.

Marketing Partners. Our marketing partner member acquisition channel consists of a network of affiliate partners, including credit card companies, national banks and database marketing services who make our products available to individuals. We have established a pay-for-performance network that drives individuals to our products. These partners generally fall into one of the following categories:

Financial and online services partners in industries such as credit card services, banking, insurance and mortgage and association partners; and

Employers who do not offer health insurance benefits to their employees or to one or more classes of their employees.

Carrier Relationships

One of our core strengths is our deep integration with some of the leading insurance carriers in the United States, which enables us to offer our STM, hospital indemnity and ancillary products on our technology platform. We currently have relationships with several insurance carriers, including Starr Indemnity & Liability Company, Companion Life, United States Fire (a member of the Crum & Forster group), ING, Markel and CIGNA, among others. We have entered into written contracts with each of these carriers pursuant to which we are authorized to sell the carriers' health plans and products in exchange for the payment of commissions that vary by carrier and by plan. These contracts are typically non-exclusive and terminable on short notice by either party for any reason. In some cases, the amendment or termination of an agreement we have with a health insurance carrier may impact the commissions we are paid on health insurance plans and products that we have already sold through the carrier.

For the nine months ended September 30, 2012, Starr Indemnity & Liability Company accounted for approximately 50% of our premium equivalents. The commission percentage used to calculate our commissions under our agreement with Starr Indemnity & Liability Company is based on net written premium and varies by the state of a member' s domicile. The agreement is terminable on 180 days written notice by either party for any reason and may be terminated on shorter notice under certain circumstances, such as in the case of a breach of the agreement.

For the nine months ended September 30, 2012, United States Fire (a member of the Crum & Forster group) accounted for approximately 25% of our premium equivalents. The commission percentage used to calculate our commissions under our agreement with United States Fire (a member of the Crum & Forster group) is based on gross collected premium. Our agreement with United States Fire (a member of the Crum & Forster group) is for automatically renewable one year terms, unless otherwise terminated. The agreement is terminable on 120 days written notice by either party for any reason and may be terminated on shorter notice under certain circumstances, such as in the case of a breach of the agreement.

For the nine months ended September 30, 2012, Companion Life accounted for approximately 19% of our premium equivalents. The commission percentage used to calculate our commissions under our agreement with Companion Life is based on gross written premium. The agreement is terminable on 180 days written notice by either party for any reason and may be terminated on shorter notice under certain circumstances, such as in the case of a breach of the agreement.

To create an improved experience for our members, we regularly evaluate insurance carriers by comparing their market presence and brand, cost competitiveness, breadth of plans, emphasis on improving the customer experience, and ability to integrate with our data systems. We plan to continue to expand and adjust the number of insurance carriers with which we partner.

Technology

Since we began operations in 2008, we have invested significant financial and human resources in building a unique and scalable proprietary, web-based technology platform. Our technology represents a distinct competitive advantage as it reduces the need for customer care agents, the time associated with billing, underwriting, fulfillment, sale and marketing and provides significant operating leverage as we add members and product offerings. We entered into an agreement to purchase the intellectual property rights to certain of the software in August 2012.

The key components of our technology platform include:

Automated Real-Time Integrated E System (A.R.I.E.S.). A.R.I.E.S. is the core of our technology platform. This proprietary technology reduces the need for the continual involvement of customer care representatives after a member has enrolled by allowing him or her to change payment information and print identification cards anytime, anyplace. A.R.I.E.S. also offers distributors an unprecedented ability to manage their business by providing direct access to real-time commission statements, commission payment and real-time sales and membership data (including cancelations, failed credit card and ACH payments, persistency, renewal and cross-sell rates). Key elements of A.R.I.E.S. include:

Quote-Buy-Print. Individuals access our technology platform through our distribution partners and can quote products and buy and print their policy documents and identification cards anytime, anyplace.

Automated Underwriting. The entire underwriting process is handled by A.R.I.E.S. through the use of health questionnaires. Because our STM products are largely targeted to healthy individuals who do not have pre-existing conditions, we do not have a traditional underwriting department. Underwriting is an immediate accept or reject decision based on a prospective member' s answers to an abbreviated online health-related questionnaire.

Multiple Value-Added Products. Consumers can purchase multiple plans and specialty products with the click of a button. Consumers are able to supplement our core STM and hospital indemnity offerings with ancillary products such as pharmacy benefit cards, dental plans, vision plans and cancer/critical illness plans. Our technology platform makes it possible for us to instantly offer these bundled products to fit member needs.

Turn-Key Solution. Our technology platform is a turnkey solution, allowing distributors to tailor their offering to meet member needs and can be customized to enhance the experience of an affinity group or employer.

Payment. Our sales are executed online and offer instant electronic fulfillment through our platform, through which we receive credit card ACH payments directly from members at the time of sale.

Member Services. Members have the ability to log-in and change payment information and print new identification cards, all without the need of a customer service representative.

HiiVe. The HiiVe technology system streamlines compliance by providing real-time sales scripting and monitoring for distributors to ensure customers are making informed purchase decisions. The compliance system enables us to record each enrollment phone call, retrieve archived calls within seconds and score calls based on script adherence. In addition, this technology has also allowed us to automate our compliance program, enhancing quality while minimizing overhead and thereby allowing us to offer higher commissions to our distributors.

We rely on BimSym eBusiness Solutions, Inc. and other vendors to provide various services relating to our A.R.I.E.S. technology platform, including hosting, support, maintenance and development services, for which we pay both recurring and one-off fees. A.R.I.E.S. was placed in service in March 2011 through an informal relationship with BimSym. On August 1, 2012, we entered into a software assignment agreement with BimSym pursuant to which we acquired certain proprietary rights to the A.R.I.E.S. software for a one-time payment of $45,000. On August 1, 2012, we also entered into a master services agreement with BimSym with respect to the hosting, support, maintenance and development of our A.R.I.E.S. technology platform. This agreement obligates us to make minimum future payments of $312,000 per year for the next five years. Thereafter, this agreement provides for automatic one-year renewals, unless we notify BimSym of our intent not to renew. Prior to March 2011, the Company contracted with a third party vendor, Carpe Datum L.L.C., to provide some of the services now provided through A.R.I.E.S. The HiiVe technology system is based on software we license from a third-party. For more information see “Risk Factors−We rely on third-party vendors to develop, host, maintain, service and enhance our technology platform” and “Risk Factors−Our failure to obtain, maintain and enforce the intellectual property rights on which our business depends could have a material adverse effect on our business, financial condition and results of operations.”

Seasonality

Our business of marketing individual STM insurance plans is subject to seasonal fluctuations. A large number of undergraduate and post-graduate students complete their studies during the second fiscal quarter of each year and are no longer eligible for health insurance coverage through the insurance plans of their parents or educational institutions. As a result, we experience a higher volume of new member enrollment from these demographics during the third fiscal quarter when such students purchase our products, producing a seasonal increase in revenue. During the fourth quarter of each fiscal year, many of our call centers and licensed agents are closed or maintain shorter business hours for varying periods of time due to the holiday season. We experience a lower volume of new member enrollment during the fourth quarter compared with other quarters, resulting in a seasonal decrease commission revenue. As our business matures, other seasonality trends may develop and the existing seasonality and consumer behavior that we experience may change.

Competition

The market for selling insurance products is highly competitive and the sale of health insurance over the Internet is rapidly evolving. We compete with individuals and entities that offer and sell health insurance products utilizing traditional distribution channels, as well as the Internet. Our current or potential competitors include:

Traditional local insurance agents. There are tens of thousands of local insurance agents across the United States who sell health insurance products in their communities. We believe that the vast majority of these local agents offer health insurance without significantly utilizing the Internet or technology other than simple desktop applications such as word processing and spreadsheet programs. Some traditional insurance agents, however, utilize general agents that offer online quoting services and other tools to obtain quotes from multiple carriers and prepare electronic benefit proposals to share with their potential customers. These general agents typically offer their services only for the small and mid-sized group markets (not the individual and family markets) and operate in only a limited geographic region. Additionally, some local agents use the Internet to acquire new consumer referrals from companies that have expertise in Internet marketing. These "lead aggregator" companies utilize keyword search, primarily paid keyword search listings on Google, Bing and Yahoo! and other forms of Internet advertising, to drive Internet traffic to the lead aggregator' s website. The lead aggregator then collects and sells consumer information to agents and, to a lesser extent, to carriers, both of whom endeavor to close the referrals through traditional offline sales methods.

Health insurance carriers' "direct-to-member" sales. Some carriers directly market and sell their plans and products to consumers through call centers and their own websites. Although we offer health insurance plans and products for many of these carriers, they also can compete with us by offering their products directly to consumers. Most of these carriers have superior brand recognition, extensive marketing budgets and significant financial resources to influence consumer preferences for searching and buying health insurance online. The carriers we choose to represent, however, do not have a competitive price advantage over us. Because individual and family plan health insurance prices are regulated in all U.S. jurisdictions, a consumer is entitled to pay the same price for a particular plan, whether the consumer purchased the plan directly from one of our carrier companies or from us.

Online agents. There are a number of agents that operate websites and provide a limited online shopping experience for consumers interested in purchasing health insurance (e.g., online quoting of health insurance product prices). Most of these online agents operate in only one or very few states, and some represent only one or a limited number of health insurance carriers. Some online agents also sell non-health insurance products such as auto insurance, life insurance and home insurance. We are one of the leading sources of STM insurance products.

National insurance brokers. Although insurance brokers have traditionally not focused on the affordable STM market, they may enter our markets and could compete with us. These large agencies have existing relationships with many of our carrier companies, are licensed nationwide and have large customer bases and significant financial, technical and marketing resources to compete in our markets. Some of these large agencies and financial services companies, such as eHealthInsurance have partnered with us in order to offer our services to their customer and member bases.

We believe the principal factors that determine our competitive advantage in the online distribution of health insurance include the following:

value added healthcare products;

strength of carrier relationships and depth of technology integration with carriers;

proprietary, web-based technology platform;

data-driven product design;

highly automated compliance program;

strength of distribution relationships; and

proven capabilities measured in years of delivering sales and creating and using reliable technology.

Employees

As of September 30, 2012, we had 51 employees. We have not experienced any work stoppages and consider our employee relations to be good. None of our employees is represented by a labor union.

Intellectual Property

Our success depends, in part, on our ability to protect our intellectual property and proprietary technology, and to operate our business without infringing or violating the intellectual property or proprietary rights of others. We rely on a combination of copyrights, trademarks, domain names, and trade secrets, intellectual property licenses and other contractual rights (including confidentiality and non-disclosure agreements) to establish and protect our intellectual property and proprietary technology. However, these intellectual property rights may not prevent others from creating a competitive online platform or otherwise competing with us.

We may be unable to obtain, maintain and enforce the intellectual property rights on which our business depends, and assertions by third-parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations. For more information see "Risk Factors−Our failure to obtain, maintain and enforce the intellectual property rights on which our business depends could have a material adverse effect on our business, financial condition and results of operations" and "Risk Factors−Assertions by third-parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations."

Facilities

We lease 7,858 square feet of space for our headquarters in Tampa, Florida under a lease that expires in 2015. In addition, we sublease approximately 4,000 square feet of space for our Insurance Academy in Boca Raton, Florida under a lease that expires in 2015. We believe that suitable additional or alternative space will be available in the future on commercially reasonable terms to accommodate our foreseeable future expansion.

Legal Proceedings

We are not currently a party to any material litigation proceedings. From time to time, however, we may be a party to litigation and subject to claims incident to the ordinary course of business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of September 30, 2012:

Name	Age	Position
Michael W. Kosloske	48	Chairman, President and Chief Executive Officer
Michael D. Hershberger	49	Chief Financial Officer, Treasurer and Secretary
Gary Raeckers	70	Director Nominee, Chief Operating Officer
Scott Lingle	44	Chief Sales Officer
Lori Kosloske	36	Chief Broker Compliance Officer
Bryan Krul	37	Senior Vice President of Sales and Operations
Paul E. Avery	53	Director Nominee
Liana O' Drobinak	49	Director Nominee
A. Gordon Tunstall	68	Director Nominee

Michael W. Kosloske, our founder, has served as our President and Chief Executive Officer since we began operations in 2008. Mr. Kosloske has served as our Chairman since 2012. Prior to founding our company, from 1987 to 2007, Mr. Kosloske was president of Health Plan Administrators, Inc., or HPA, a fully-insured niche and individual health insurance company that focused on online sales. In 2005, Mr. Kosloske sold HPA to Independence Holding Company, a New York Stock Exchange-listed holding company engaged in the life and health insurance business, and he remained president of HPA until 2007. Previously, from 1986 to 1987, Mr. Kosloske was marketing manager for Dun & Bradstreet Plan Services, Inc., a third-party administrator in Tampa, Florida. Mr. Kosloske holds a bachelor of science degree in risk management and insurance from Florida State University. Mr. Kosloske is married to our Chief Broker Compliance Officer, Lori Kosloske.

Michael D. Hershberger has served as our Chief Financial Officer since 2011. Mr. Hershberger served as senior manager at Baker Tilly, a full service accounting and advisory firm, from 2005 to 2011, where he was responsible for managing housing research. From 2009 until joining us in 2011, Mr. Hershberger also served as president of Med-Sense Guaranteed Association, a non-profit association that provides membership benefits to individuals and gives members access to certain of our products. Previously, from 1996 until 2012, Mr. Hershberger served as president of Urban Solutions, Inc. (formerly Hersh Group, Ltd), a real-estate advisory consulting firm. Prior to 2005, Mr. Hershberger served as chief financial officer of HPA from 1992 to 2002, where he was responsible for oversight of financial reporting and financial operations of certain third-party insurance administrators. From 1988 to 1992, Mr. Hershberger served as commercial loan officer at Draper & Kramer. He served as senior accountant at Coopers & Lybrand from 1985 to 1987. Mr. Hershberger holds a bachelor of science degree in accounting from Augustana College and earned his masters of science degree in urban land economics/finance from the University of Wisconsin Graduate School of Business. He is a Certified Public Accountant in the State of Illinois.

Gary Raeckers has been our Chief Operating Officer since 2010 and is a director nominee. From 2002 to 2004, Mr. Raeckers served as chief operating officer of HPA under the leadership of Mr. Kosloske. From 2009 to 2010, Mr. Raeckers served as the director of operations of Premier Administrative Solutions, where he was responsible for administration, customer service and claims processing. Prior to that, from 2005 to 2009, he served as chief operating officer and chief financial officer of Special Markets Insurance Consultants, Inc. From 2004 to 2005, Mr. Raeckers served as senior vice president of Advantec Solutions, Inc. where he was responsible for benefit administration. Prior to his service with HPA, from 1974 to 2002, Mr. Raeckers served in varying capacities, including chief executive officer and chief operating officer, at Health Plan Services, Inc. and its predecessor company, Plan Services Inc. From 1978 to 1994, Plan Services, Inc. was a wholly owned subsidiary of Dun & Bradstreet Plan Services, Inc.

Scott Lingle serves as our Chief Sales Officer. Prior to joining us in 2011, Mr. Lingle served in various roles, including vice president of sales, at Golden Rule/United Healthcare beginning in 1992. Mr. Lingle holds a bachelor of business management degree from Olivet Nazarene University as well as a registered health underwriter, or RHU, designation from American College.

Lori Kosloske serves as our Chief Broker Compliance Officer. Mrs. Kosloske has served in various capacities with us since we began operations in 2008. Previously, Mrs. Kosloske served as our Vice President from 2011 to 2012 and our Vice President of Special Markets from 2008 to 2011. Prior to joining us, Mrs. Kosloske worked as a reinsurance broker at MarketRe (now ParkRe), a reinsurance brokerage company. From 1998 to 2003, Mrs. Kosloske held various positions at Innovative Insurance Group (InnRe), a reinsurance managing general underwriter, where she served as senior underwriter beginning in 2002. Mrs. Kosloske holds a bachelor of business administration degree from Temple University. Mrs. Kosloske is married to our Chairman, President and Chief Executive Officer, Michael W. Kosloske.

Bryan Krul has served as our Senior Vice President of Sales and Operations since 2010. Prior to joining us, Mr. Krul spent 2005 to 2010 at Independence Holding Company, a New York Stock Exchange-listed holding company engaged in the life and health insurance business, where he most recently served as vice president of eBusiness solutions. From 1998 to 2005, Mr. Krul also served in varying capacities, including director of eCommerce, at HPA under the leadership of Mr. Kosloske. Mr. Krul holds a bachelor of arts degree in communications from the University of South Florida.

Paul E. Avery is a director nominee. Mr. Avery currently serves as chief executive officer and principal of Avery Management Group, a developer of a franchisee network of Carsmetics Expert Accident Repair Centers throughout the Northeast and Texas, a position he has held since February 2010. From 2005 to 2009, Mr. Avery served as chief operating officer of OSI Restaurant Partners, Inc. In 1998, Mr. Avery was elected to the board of directors of OSI Restaurant Partners, Inc. and served as director until 2004. From 1997 to 2004, Mr. Avery served as president of Outback Steakhouse Inc. Mr. Avery holds an associate degree in hotel and restaurant management from Middlesex County College and a bachelor of science degree from Kean University.

Liana O' Drobinak is a director nominee. Ms. O' Drobinak currently serves as chief executive officer of Bay Consulting Partners, an organization focused on strategic and risk advisory consulting services, a position she has held since 2010. From 2005 to 2010, Ms. O' Drobinak served as the managing director for Florida and the vice president for the South Region of Jefferson Wells International, Inc., a subsidiary of Manpower Inc. Prior to joining Jefferson Wells, Inc., Ms. O' Drobinak founded Acclaris, Inc., a global business process outsourcing company, where she was president and chief executive officer from 2001 to 2005. From 1985 to 2001, Ms. O' Drobinak held several positions at Andersen LLP, including partner in charge, business process outsourcing (BPO) for the Southeast Region of the United States. While at Andersen LLP, Ms. O' Drobinak led SEC reporting for several initial public offerings and was involved in merger and acquisition activity across a variety of industries, qualifying her as a financial expert. In 2011, Ms. O' Drobinak was appointed to a second term as a board member of the Florida Prepaid College Board, where she currently serves as chair of a new audit committee and as a member of the investment committee. Ms. O' Drobinak also served on the board and as finance committee chair for St. Joseph' s‑ Baptist Hospital, served as an audit committee member of Baycare Inc. and on the board and audit committees of Acclaris, Inc. Ms. O' Drobinak holds a master of business administration and bachelor of science degree in accounting from the University of South Florida. She is a Certified Public Accountant and Certified Internal Auditor in the State of Florida.

A. Gordon Tunstall is a director nominee. Mr. Tunstall is the founder, and for more than 25 years has served as president, of Tunstall Consulting, Inc., a provider of strategic consulting and financial planning services. Mr. Tunstall currently serves as a director on the boards of Kforce Inc. and CareKinesis, and he previously served as a director for JLM Industries, Inc., Orthodontics Center of America, Inc., Discount Auto Parts, Inc., Advanced Lighting Technologies Inc., Horizon Medical Products Inc., excelleRX and L.A.T. Sportswear. Given his background as a successful strategic consultant for over 25 years advising a large number

of companies in a variety of industries, Mr. Tunstall provides a unique point of view regarding strategy. Mr. Tunstall holds a bachelor of science degree in accounting from Widener College. We engaged Tunstall Consulting, Inc. for its consulting services in connection with this offering.

Controlled Company

For purposes of the rules of the NASDAQ Global Market, we expect to be a "controlled company" upon completion of this offering. Controlled companies under those rules are companies of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. We expect that Mr. Kosloske will beneficially own more than 50% of the combined voting power of our common stock upon completion of this offering and will continue to have the right to designate a majority of the members of our board of directors for nomination for election and the voting power to elect such directors following this offering. Accordingly, we expect to be eligible to, and we intend to, take advantage of certain exemptions from corporate governance requirements provided in rules of the NASDAQ Global Market. Specifically, as a controlled company, we would not be required to have (1) a majority of independent directors, (2) a nominating and corporate governance committee composed entirely of independent directors with a written charter addressing the committee' s purpose and responsibilities, (3) a compensation committee composed entirely of independent directors with a written charter addressing the committee' s purpose and responsibilities, or (4) an annual performance evaluation of the nominating and corporate governance and compensation committees. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the applicable rules of the NASDAQ Global Market.

Board Structure

Upon completion of the offering, our board of directors will consist of five members. Our board has determined that each of Mr. Avery and Ms. O' Drobinak is independent under applicable NASDAQ Global Market rules.

In accordance with our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective upon the completion of the offering, each of our directors will serve for a one-year term or until his or her successor is elected and qualified. At each annual meeting of our stockholders, our stockholders will elect the members of our board of directors. There will be no limit on the number of terms a director may serve on our board of directors.

Board Committees

Audit Committee

The audit committee, which is expected to consist of Ms. O' Drobinak (Chairman), Mr. Avery and Mr. Tunstall, will assist the board in overseeing our accounting and financial reporting processes and the audits of our financial statements. In addition, the audit committee will be directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm. The board of directors has determined that Ms. O' Drobinak qualifies as an "audit committee financial expert," as such term is defined in the rules of the SEC and that Ms. O' Drobinak and Mr. Avery qualify as independent, as such term is defined in the rules of the SEC. We will rely on the phase-in rules of the SEC and the NASDAQ Global Market with respect to the independence of our audit committee. These rules permit us to have an audit committee that has one member that is independent upon the effectiveness of the registration statement of which this prospectus forms a part, a majority of members that are independent within 90 days thereafter and all members that are independent within one year thereafter.

Compensation Committee

Our compensation committee consists of Mr. Avery, Ms. O' Drobinak and Mr. Tunstall (Chairman). Our compensation committee is responsible for assisting our board of directors in discharging its responsibilities relating to (1) setting our compensation program and compensation of our executive officers and directors; (2) monitoring our incentive and equity-based compensation plans; and (3) preparing our compensation committee report required to be included in our proxy statement under the rules and regulations of the SEC.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Mr. Avery (Chairman), Ms. O' Drobinak and Mr. Tunstall. Our nominating and corporate governance committee assists our board of directors in identifying individuals qualified to become members of our board of directors consistent with criteria established by our board and in developing our corporate governance principles. This committee' s responsibilities include: (1) evaluating the composition, size and governance of our board of directors and its committees and making recommendations regarding the appointment of directors to our committees; (2) considering stockholder nominees for election to our board of directors; (3) evaluating and recommending candidates for election to our board of directors; (4) leading the self-evaluation process of our board of directors; (5) developing and reviewing our corporate governance guidelines and providing recommendations to the board regarding possible changes; (6) evaluating and recommending management candidates; and (7) performing any other activities the committee deems appropriate, are set forth in the corporate governance guidelines or are requested by the board.

Code of Ethics

Our board of directors will adopt a code of business conduct and ethics that applies to all of our directors, officers and other employees, including our principal executive officer, principal financial officer and principal accounting officer. Any waiver of the code for directors or executive officers may be made only by our board of directors and will be promptly disclosed to our stockholders through publication on our website, www.hiiquote.com. Amendments to the code must be approved by our board of directors and will be promptly disclosed (other than technical, administrative or non-substantive changes). A copy of our code of business conduct and ethics will be posted on our website.

Corporate Governance Guidelines

Our board of directors will adopt corporate governance guidelines that serve as a flexible framework within which our board of directors and its committees operate. These guidelines will cover a number of areas including the size and composition of the board, board membership criteria and director qualifications, director responsibilities, board agenda, roles of the Chairman of the Board, Chief Executive Officer and presiding director, meetings of independent directors, committee responsibilities and assignments, board member access to management and independent advisors, director communications with third parties, director compensation, director orientation and continuing education, evaluation of senior management and management succession planning. Additionally, our board of directors will adopt independence standards as part of our corporate governance guidelines. A copy of our corporate governance guidelines will be posted on our website, www.hiiquote.com.

Compensation Committee Interlocks and Insider Participation

None of our executive officers has served as a member of a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

EXECUTIVE COMPENSATION

The following table sets forth information concerning the compensation earned by our chief executive officer, our chief financial officer and our three other most highly compensated executive officers during our fiscal years ended December 31, 2011 and December 31, 2012.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	All Other Compensation ($)		Total ($)
Michael W. Kosloske (Chairman, President and Chief Executive Officer)	2012	400,000		39,559	(1)	439,560
	2011	100,000	615,378(2)	22,962	(3)	738,340
Michael D. Hershberger (Chief Financial Officer, Treasurer, Secretary)	2012	179,762				179,762
	2011	33,333				33,333
Gary Raeckers (Chief Operating Officer)	2012	217,708				217,708
	2011	145,000				145,000
Lori Kosloske (Chief Broker Compliance Officer)	2012	170,825	5,000	23,576	(4)	199,402
	2011	171,104	5,000	113,997	(5)	290,101
Bryan Krul (Senior Vice President of Sales and Operations)	2012	180,250	35,428			215,678
	2011	156,250	19,293			175,543

(1) Reflects an automobile allowance of $32,857 and club dues of $6,702.
(2) Reflects amounts earned in respect of the 2011 fiscal year.
(3) Reflects an automobile allowance of $16,260 and club dues of $6,702.
(4) Reflects an automobile allowance of $23,576.
(5) Reflects an automobile allowance of $21,324 and commissions of $92,673.

Outstanding Equity Awards at Fiscal Year End

We had no outstanding equity awards as of the end of our fiscal year ended December 31, 2011.

Severance, Retirement and Change in Control Arrangements

We intend to enter into an employment agreement with Mr. Kosloske with a term beginning on the consummation of this offering and ending on December 31, 2013. Under his agreement, Mr. Kosloske will be entitled to an annual salary of $400,000 and will be eligible to participate in our to be adopted long term incentive plan in accordance with its terms. Unless prior written notice of termination is given by either party prior to its expiration date, the term of the agreement will be automatically extended for successive one-year periods. In the event that the we determine not to extend Mr. Kosloske' s agreement, terminate Mr. Kosloske' s employment without cause (as defined in the agreement) or Mr. Kosloske terminates his employment for good reason (as defined in the agreement), Mr. Kosloske will be entitled to an amount equal to two times the sum of his annual base salary and the greater of (i) his most recently earned annual bonus and (ii) his average annual bonus earned in the three most recently completed calendar years, payable in 24 equal monthly installments beginning on the termination date, provided that Mr. Kosloske executes a general release in our favor. Mr. Kosloske will be subject to non-competition, non-disparagement and non-solicitation covenants that expire 24 months following termination of his employment. Mr. Kosloske will not be entitled to any change in control benefits.

We intend to enter into employment agreements with Mr. Hershberger and Mrs. Kosloske with a term beginning on the consummation of this offering and ending on December 31, 2013. Under each agreement, Mr. Hershberger and Mrs. Kosloske will be entitled to annual salaries of $200,000 and $173,325, respectively. Each will be eligible to participate in our to be adopted long term incentive plan in accordance with its terms. Unless prior written notice of termination is given by either party to an agreement prior to the expiration date, the term of the agreement will be automatically extended for successive one-year periods. In the event that we determine not to extend Mr. Hershberger' s or Mrs. Kosloske' s agreement, terminate Mr. Hershberger' s or Mrs. Kosloske' s employment without cause (as defined in the agreement) or Mr. Hershberger or Ms. Kosloske terminates his or her employment for good reason (as defined in the agreement), Mr. Hershberger or Ms. Kosloske, as the case may be, will be entitled to an amount equal his or her respective annual base salary, payable in 12 equal monthly installments beginning on the termination date, provided that Mr. Hershberger or Mrs. Kosloske, as applicable, executes a general release in our favor. Mr. Hershberger and Mrs. Kosloske will each be subject to non-competition, non-disparagement and non-solicitation covenants that expire 24 months following termination of employment. Neither Mr. Hershberger nor Mrs. Kosloske will be entitled to any change in control benefits.

We are party to "at will" employment agreements with Mr. Raeckers and Mr. Krul pursuant to which each is entitled to a current annual base salary of $225,000 and $180,250, respectively. Mr. Raeckers and Mr. Krul are each subject to non-solicitation and non-competition covenants that expire 12 months after termination of employment. Neither Mr. Raeckers nor Mr. Krul is entitled to any change in control benefits.

We do not maintain any tax-qualified or supplemental retirement or pension plans. We anticipate that, in connection with this offering, we will adopt a tax-qualified 401K defined contribution plan.

Restricted Stock Agreements

Mr. Hershberger' s employment agreement also provides for the award to Mr. Hershberger of restricted shares of our Class A common stock, 20% of which will vest on the six-month anniversary of this offering and 20% of which will vest on October 1 of each of 2013, 2014, 2015 and 2016, provided that Mr. Hershberger continues to be employed by us on the relevant vesting date.

Director Compensation

Our directors were appointed in connection with our formation in 2012. As a result they received no compensation for their service as a director for the year ended December 31, 2011. Following this offering, our non-employee directors are expected to receive compensation that is commensurate with arrangements offered to directors of newly public companies. We have not nor do we expect to compensate our employee directors for their service on our board of directors. We also expect to reimburse all directors for reasonable out-of-pocket expenses incurred in connection with their service as directors, in accordance with our general expense reimbursement policies. Our independent directors will also be eligible to receive stock options and other equity-based awards when, as and if determined by the nominating, governance and compensation committee.

Long Term Incentive Plan and Awards

We intend to adopt the Health Insurance Innovations, Inc. Long Term Incentive Plan, or LTIP, which will permit us to grant an array of equity-based and cash incentive awards to our named executive officers and other employees and service providers. On the closing of this offering, we intend to issue stock appreciation rights (SARs) awards and restricted stock awards under the LTIP. We also intend to issue performance-based cash awards to certain executives on the closing of this offering. The following is a summary of the material terms of the LTIP and these awards.

Long Term Incentive Plan

Purpose. The purpose of the LTIP is to motivate and reward those employees and other individuals who are expected to contribute significantly to our success to perform at the highest level and to further our best interests and those of our shareholders.

Eligibility. Our employees, consultants, advisors, other service providers and non-employee directors are eligible to receive awards under the LTIP.

Authorized Shares. Subject to adjustment as described below, shares of our common stock will be available for awards to be granted under the LTIP. Other than during the current calendar year, no participant may receive under the plan in any calendar year more than shares in respect of each of the following three categories of awards: stock options and stock appreciation rights; restricted stock, restricted stock units and other stock-based awards; and performance awards. Shares underlying replacement awards (i.e., awards granted as replacements for awards granted by a company that we acquire or with which we combine) and awards that we grant on the closing of this offering will not reduce the number of shares available for issuance under the plan. If an award (other than a replacement award or an award granted on the closing of this offering) expires or is canceled or forfeited, the shares covered by the award again will be available for issuance under the plan. Shares tendered or withheld in payment of an exercise price or for withholding taxes also again will be available for issuance under the plan.

Administration. Our compensation committee will administer the LTIP and will have authority to:

- designate participants;
- determine the types of awards to grant, the number of shares to be covered by awards, the terms and conditions of awards, whether awards may be settled or exercised in cash, shares, other awards, other property or net settlement, the circumstances under which awards may be canceled, repurchased, forfeited or suspended, and whether awards may be deferred automatically or at the election of the holder or the committee;
- interpret and administer the plan and any instrument or agreement relating to, or award made under, the plan;
- establish, amend, suspend or waive rules and regulations and appoint agents; and
- make any other determination and take any other action that it deems necessary or desirable to administer the plan.

Types of Awards. The LTIP will provide for grants of stock options, stock appreciation rights (SARs), restricted stock, restricted stock units (RSUs), performance awards and other stock-based awards.

Stock Options. A stock option is a contractual right to purchase shares at a future date at a specified exercise price. The per share exercise price of a stock option (other than a replacement award) will be determined by our compensation committee and may not be less than the closing price of a share of our common stock on the grant date. The committee will determine the date after which each stock option may be exercised and the expiration date of each option, provided that no option will be exercisable more than ten years after the grant date. Options that are intended to qualify as incentive stock options must meet the requirements of Section 422 of the Internal Revenue Code.

SARs. SARs represent a contractual right to receive, in cash or shares, an amount equal to the appreciation of one share of our common stock from the grant date. Any SAR will be granted subject to the same terms and conditions as apply to stock options.

Restricted Stock. Restricted stock is an award of shares of our common stock that are subject to restrictions on transfer and a substantial risk of forfeiture.

RSUs. RSUs represent a contractual right to receive the value of a share of our common stock at a future date, subject to specified vesting and other restrictions.

Performance Awards. Performance awards, which may be denominated in cash or shares, will be earned on the satisfaction of performance conditions specified by our compensation committee. The committee will have authority to specify that any other award granted under the LTIP will constitute a performance award by conditioning the exercisability or settlement of the award on the satisfaction of performance conditions. Every performance award that is intended to constitute "performance-based compensation" for purposes of Section 162(m) of the Internal Revenue Code will include a pre-established formula, such that payment, retention or vesting of the award is subject to achievement of a level of or increases in one or more of the following performance measures: overhead costs, general and administration expense, market price of a share, market price appreciation of share value, cash flow, reserve value, net asset value, firm value, economic value added, earnings, earnings per share, total shareholder return, net income, operating income, cash from operations, revenue growth, margin, pre-tax income, EBIT (earnings before interest and taxes), EBITDA (earnings before interest, taxes, depreciation and amortization), net capital employed, return on assets, stockholder return, reserve replacement, return on equity, return on capital, production, assets, asset turnover, inventory turnover, unit volume, sales, sales growth, capacity utilization, market share, increase in customer base, environmental health and safety, diversity, quality, or strategic business criteria consisting of one or more objectives based on meeting specified goals relating to acquisitions or divestitures. These performance criteria may be measured on an absolute (e.g., plan or budget) or relative basis. Relative performance may be measured against a group of peer companies, a financial market index or other acceptable objective and quantifiable indices. The maximum amount of any cash-denominated performance award intended to comply with Section 162(m) that may be earned in any calendar year may not exceed $2,000,000.

Other Stock-Based Awards. Our compensation committee will be authorized to grant other stock-based awards, which may be denominated in shares of our common stock or factors that may influence the value of our shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into shares, purchase rights for shares, awards with value and payment contingent on our performance or that of our business units or any other factors that the committee designates.

Adjustments. In the event that, as a result of any dividend or other distribution, recapitalization, stock split, reverse stock split, reorganization, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of our common stock or other securities, issuance of warrants or other rights to purchase our shares or other securities, issuance of our shares pursuant to the anti-dilution provisions of our securities, or other similar corporate transaction or event affecting our shares, an adjustment is appropriate to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the LTIP, the compensation committee will adjust equitably any or all of:

the number and type of shares or other securities that thereafter may be made the subject of awards, including the aggregate and individual limits under the plan;

the number and type of shares or other securities subject to outstanding awards; and

the grant, purchase, exercise or hurdle price for any award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding award.

Termination of Service and Change in Control. Our compensation committee will determine the effect of a termination of employment or service on outstanding awards, including whether the awards will vest, become exercisable, settle or be forfeited (including by way of repurchase by the company at par value). The committee may set forth in the applicable award agreement the treatment of an award on a change in control (as defined in the LTIP). In addition, in the case of a stock option or SAR, except as otherwise provided in the applicable award agreement, on a change in control, a merger or consolidation involving us or any other event for which the committee deems it appropriate, the committee may cancel the award in consideration of:

a substitute award that preserves the intrinsic value of the canceled award; or

the full acceleration of the award and either:

a period of ten days to exercise the award; or

a payment in cash or other consideration in an amount equal to the intrinsic value of the canceled award.

Amendment and Termination. Our board of directors may amend, alter, suspend, discontinue or terminate the LTIP, subject to approval of our shareholders if required by the rules of the stock exchange on which our shares are principally traded. Our compensation committee may amend, alter, suspend, discontinue or terminate any outstanding award. However, no such board or committee action that would materially adversely affect the rights of a holder of an outstanding award may be taken without the holder' s consent, except to the extent that such action is taken to cause the LTIP to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations. In addition, the committee may amend the LTIP in such manner as may be necessary to enable the plan to achieve its stated purposes in any jurisdiction in a tax efficient manner and in compliance with local rules and regulations.

Term. The LTIP expires after ten years, unless prior to that date the maximum number of shares available for issuance under the plan has been issued or our board of directors terminates the plan.

Awards under the LTIP

Certain executives are expected to receive SARs on or shortly following the closing of this offering that will have a seven-year term and a three-year cliff vesting period. Vesting of these SARs will fully accelerate if the executive' s employment is terminated due to his death or "disability," by us without "cause" or by him for "good reason" (as such terms are defined in his employment agreement). In addition, if we undergo a change in control, the SARs will vest on the date of the change in control. If the executive' s employment is terminated by us for cause or by him without good reason at any time, the unvested SARs will be canceled.

Certain executives are also expected to receive restricted shares on or shortly following the closing of this offering that will be subject to both service and performance conditions. On the third anniversary of the grant date, the service condition applicable to these restricted shares will be deemed met, subject generally to the executive' s continued employment through each anniversary date. The performance condition will be determined prior to grant of these restricted shares.

On termination of the executive' s employment due to his death or disability, by us without cause or by him for good reason, both the service and the performance conditions of any unvested restricted shares will be deemed met. If the executive terminates his employment without good reason, any unvested restricted shares will be forfeited (or, in the committee' s sole discretion, if required pursuant to applicable law to effect such forfeiture, such shares may be repurchased at their par value). If we undergo a change in control, any unvested restricted shares will fully vest.

On vesting of any of these restricted shares, the restrictions will lapse and, subject to the restrictions on transfer that apply to our officers and directors and certain of our shareholders, and any additional restrictions under any applicable lock up agreement, the shares will be fully transferable. Prior to vesting, the executives will have the right to vote the restricted shares and to receive current payment in respect of dividends paid on shares of our common stock.

We also intend to issue performance-based cash incentive awards on or shortly following the closing of this offering. These awards will vest one year after the grant date, subject to the performance conditions of GAAP revenues as showing the company' s audited financial statements and EBITDA. On termination of the executive' s employment due to his death or disability, a pro rata portion of the target award based on the percent of time worked will vest and become payable on the scheduled vesting date. If we undergo a change in control, the terms of the applicable employment agreement will govern the vesting of the award.

RELATIONSHIPS AND RELATED TRANSACTIONS

In addition to the compensation arrangements with directors and executive officers described under "Executive Compensation," the following is a description of each transaction since January 1, 2010, and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or will exceed $120,000; and
- any of our directors, executive officers, beneficial holders of more than 5% of our capital stock, or any member of their immediate family or person sharing their household had or will have a direct or indirect material interest.

Proposed Transactions with Health Insurance Innovations, Inc.

In connection with the reorganization, we will engage in certain transactions with entities controlled by Mr. Kosloske, our Chairman, President and Chief Executive Officer, that will become beneficial owner of 5% or more of our voting securities through ownership of shares of our Class B common stock. These transactions are described in detail under "The Reorganization of Our Corporate Structure."

Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC

Following our reorganization and this offering, we will operate our business through Health Plan Intermediaries Holdings, LLC and its consolidated subsidiaries. The operations of Health Plan Intermediaries Holdings, LLC, and the rights and obligations of its members will be governed by the amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC. We will serve as sole managing member of Health Plan Intermediaries Holdings, LLC. As such, we will control its business and affairs and will be responsible for the management of its business.

The amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC will establish two classes of equity: Series A Membership Interests and Series B Membership Interests. Series A Membership Interests may be issued only to us as the sole managing member of Health Plan Intermediaries Holdings, LLC. Series B Membership Interests may be issued only to persons or entities we permit, which initially will be Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske. For a description of the Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC and the rights provided to holders of Series A Membership Interests and Series B Membership Interests thereunder, see "The Reorganization of Our Corporate Structure−Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC."

Exchange Agreement

We will enter into an exchange agreement with the holders of Series B Membership Interests of Health Plan Intermediaries Holdings, LLC, which initially will be Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske. Pursuant to and subject to the terms of the exchange agreement and the amended and restated limited liability company agreement of Health Plan Intermediaries Holdings, LLC, holders of Series B Membership Interests, at any time and from time to time, may exchange one or more Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock on a one-for-one basis, subject to equitable adjustments for stock splits, stock dividends and reclassifications. For a description of the exchange agreement, see "The Reorganization of Our Corporate Structure−Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC−Exchange Agreement."

Tax Receivable Agreement

Assuming the underwriters do not exercise their over-allotment option, this offering is not anticipated to result in an increase in the tax basis in our share of the tangible and intangible assets of Health Plan Intermediaries Holdings, LLC. However, the purchase of Series B Membership Interests (together with an equal number of shares of our Class B common stock) with the net proceeds of the sale of any over-allotment shares, as well as subsequent exchanges of Series B Membership Interests, together with an equal number of shares of our Class B common stock, for shares of our Class A common stock, are expected to increase our tax basis in our share of Health Plan Intermediaries Holdings, LLC' s tangible and intangible assets. These increases in tax basis are expected to increase our depreciation and amortization deductions and create other tax benefits and therefore may reduce the amount of tax that we would otherwise be required to pay in the future.

After giving effect to the reorganization, we will enter into a tax receivable agreement with the holders of Series B Membership Interests (initially Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske). The agreement will require us to pay to such holders 85% of the cash savings, if any, in U.S. federal, state and local income tax we realize (or are deemed to realize in the case of an early termination payment, a change in control or a material breach by us of our obligations under the tax receivable agreement) as a result of any possible future increases in tax basis described above and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement itself. This will be our obligation and not an obligation of Health Plan Intermediaries Holdings, LLC. We will benefit from the remaining 15% of any realized cash savings. For a description of the tax receivable agreement, see "The Reorganization of Our Corporate Structure−Tax Receivable Agreement."

Purchase of Membership Interest in Health Plan Intermediaries, LLC

On September 28, 2011, we entered into an agreement to purchase the units of Health Plan Intermediaries, LLC owned by Naylor Group Partners, LLC for $5,330,000 plus closing costs of $135,000. This purchase was financed with a loan from a bank for $4,250,000 and by a cash payment of $1,135,000 made by Mr. Kosloske to the Naylor Group Partners, LLC. Borrowings under the loan are secured by all of our assets, including, but not limited to, cash accounts, accounts receivable and property and equipment. The loan is further secured with a personal unlimited guarantee by Mr. Kosloske and Mrs. Kosloske and certain real properties owned by Mr. Kosloske and Mrs. Kosloske in Tampa, Florida and Keystone, Colorado.

Prior to the purchase, Health Plan Intermediaries, LLC was 50% owned by Naylor Group Partners, LLC and 50% owned by Mr. Kosloske. Following the purchase, Mr. Kosloske became the sole member of Health Plan Intermediaries, LLC.

Employment Contracts

In August 2008, we entered into an employment arrangement with Mr. Kosloske under which he receives on an annual basis all net revenues from the sale of certain prescription (Rx) contracts, in an amount not to exceed $214,000, plus commissions based on yearly revenues. This compensation is treated as guaranteed payments and totaled $615,000 for 2011 and $485,000 for 2010. Such compensation does not relate to any investment in us made by Mr. Kosloske. The employment agreement terminated on September 28, 2011. Mr. Kosloske has not received revenues from the sale of prescription contracts or commissions based on yearly revenues since October 2011, and he will not receive such revenues under any current or proposed employment contract. We will enter into a new employment contract with Mr. Kosloske in connection with this offering. See "Executive Compensation."

Other Relationships

During the nine months ended September 30, 2012, we paid Mr. Kosloske approximately $126,000 for unreimbursed expenses paid by Mr. Kosloske on behalf of the Company. This amount represented commissions payable to Lori Kosloske of approximately $93,000 and general business expenses of approximately $33,000.

In February 2012, we entered into a relationship with Tunstall Consulting Inc. for consulting services in connection with this offering. A. Gordon Tunstall, one of our director nominees, is the founder and president of Tunstall Consulting Inc. During the nine months ended September 30, 2012, we paid $407,000 to Tunstall Consulting Inc.

In March 2008, we entered into a relationship with Med-Sense Guaranteed Association, or Med-Sense, a non-profit association that provides membership benefits to individuals and gives members access to certain of our products. Michael D. Hershberger, our Chief Financial Officer and one of our director nominees, was president of Med-Sense until October 2011, when he resigned as president and joined us as one of our officers. We paid $434,000 and $68,000 to Med-Sense in 2011 and 2010, respectively.

Executive Management Fees

The Naylor Group Partners, LLC, the former owners of 50% of the units of the Health Plan Intermediaries, LLC, performed certain executive management services for us in 2011 and 2010. These executive management services generally consisted of advice in connection with participation in board of managers meetings. The amount paid totaled $231,000 for 2011 and $25,000 for 2010. We terminated the services arrangement with the Naylor Group Partners, LLC in connection with the transaction described under "–Purchase of Membership Interest in Health Plan Intermediaries, LLC."

Distribution to Members

In accordance with terms of its Operating Agreement, Health Plan Intermediaries, LLC paid cash distributions in 2011 and 2010 totaling $1,301,000 ($681,000 was paid to Naylor Group Partners, LLC and $620,000 was paid to Mr. Kosloske) and $0, respectively. During the nine months ended September 30, 2012, Health Plan Intermediaries, LLC paid cash distributions of $2,763,000 to Mr. Kosloske in accordance with the terms of its Operating Agreement.

Employment Arrangements With Immediate Family Members of Our Executive Officers

Lori Kosloske, the wife of Mr. Kosloske, is employed by us. During 2012 and 2011, Mrs. Kosloske had total cash compensation of $199,402 and $290,101, respectively.

Registration Rights Agreements

In connection with the completion of this offering, we will enter into a registration rights agreement with Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, which are beneficially owned by Mr. Kosloske to register in certain circumstances for sale under the Securities Act shares of our Class A common stock to be delivered in exchange for Series B Membership Interests in certain circumstances. This agreement will provide these two entities (and their affiliates) with the right to require us to register shares of our Class A common stock held by such entities or their affiliates. For a description of these registration rights, see "The Reorganization of Our Corporate Structure–Registration Rights Agreement."

Policies and Procedures for Related Party Transactions

Our board of directors will adopt a written related person transaction policy, to be effective upon the closing of this offering, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant and a related person had or will have a direct or indirect material interest, as determined by the audit committee of our board of directors, including, purchases of goods or services by or from the related person or entities in which the related person has a material interest, and indebtedness, guarantees of indebtedness or employment by us of a related person. In reviewing any such proposal, our audit committee will be tasked to consider all relevant facts and circumstances, including the commercial reasonableness of the terms, the benefit or perceived benefit, or lack thereof, to us, opportunity costs of alternate transactions, the materiality and character of the related person' s direct or indirect interest and the actual or apparent conflict of interest of the related person.

All related party transactions described in this section occurred prior to adoption of this policy and as such, these transactions were not subject to the approval and review procedures set forth in the policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding beneficial ownership of our Class A common stock and Class B common stock immediately prior to the initial public offering, after giving effect to the reorganization transactions described under "The Reorganization of Our Corporate Structure," by:

- each person whom we know to own beneficially more than 5% of our Class A or Class B common stock;
- each of the directors and named executive officers individually; and
- all directors and executive officers as a group.

The number of shares of Class A common stock outstanding after this offering includes shares of Class A common stock being offered for sale by us in this offering and assumes no exercise of the underwriters' over-allotment option. The percentage of beneficial ownership for the following table is based on zero shares of Class A common stock and shares of Class B common stock outstanding immediately prior to the initial public offering, and shares of Class A common stock and shares of Class B common stock outstanding after the completion of this offering and assumes no exercise of the underwriters' over-allotment option. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of Class A or Class B common stock.

		Percentage of Shares of Class A Common Stock Beneficially Owned			Percentage of Shares of Class B Common Stock Beneficially Owned	
Name of Beneficial Owner	Shares of Class A Common Stock Beneficially Owned	Before Offering	After Offering	Shares of Class B Common Stock Beneficially Owned	Before Offering	After Offering
Named executive officers and directors:						
Michael W. Kosloske(1)	–	–	–		100.0 %	100.0 %
Michael D. Hershberger	–	–	–	–	–	–
Gary Raeckers	–	–	–	–	–	–
Lori Kosloske	–	–	–	–	–	–
Bryan Krul	–	–	–	–	–	–
Paul E. Avery	–	–	–	–	–	–
Liana O' Drobinak	–	–	–	–	–	–
A. Gordon Tunstall	–	–	–	–	–	–
All directors and executive officers as a group (eight people)	–	–	–		100.0 %	100.0 %
Greater than 5% Stockholders:						
Health Plan Intermediaries, LLC(1)	–	–	–		100.0 %	100.0 %

(1) Consists of shares of Class B common stock held of record by Health Plan Intermediaries, LLC and shares of Class B common stock held by Health Plan Intermediaries Sub, LLC. As managing member of Health Plan Intermediaries Sub, LLC, Health Plan Intermediaries, LLC has sole voting and dispositive power over the shares held by Health Plan Intermediaries Sub, LLC. Michael W. Kosloske, our Chairman, President and Chief Executive Officer, is the is the sole member and primary manager of Health Plan Intermediaries, LLC and has sole voting and dispositive power over the shares held by Health Plan Intermediaries, LLC. We refer to Health Plan Intermediaries, LLC, Health Plan Intermediaries Sub, LLC and Mr. Kosloske as the Existing Stockholders. The Existing Stockholders may be deemed to have formed a "group" within the meaning of Section 13(d) under the Exchange Act, and the group may be deemed, collectively, to beneficially own all the shares of Class B common stock held of record by each of Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC. The shares of Class B

common stock, together with the Series B Membership Interests of Health Plan Intermediaries Holdings, LLC owned of record by the Existing Stockholders, are exchangeable at the Existing Stockholders' option into an equal

number of shares of Class A common stock, representing % and % of the shares of Class A common outstanding stock before and after this offering, respectively. Under SEC rules, the Existing Stockholders are deemed the beneficial owner of such number of shares of Class A common stock. The shares of Class A common stock and Class B common stock vote together as a single class on matters submitted to a vote of our stockholders. The address of each Existing Stockholder is 15438 N. Florida Avenue, Suite 201, Tampa, Florida 33613.

DESCRIPTION OF CAPITAL STOCK

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the consummation of this offering. Reference is made to the more detailed provisions of, and the descriptions are qualified in their entirety by reference to, the amended and restated certificate of incorporation and amended and restated bylaws, forms of which are filed with the SEC as exhibits to the registration statement of which this prospectus is a part, and applicable law.

General

Following this offering, our authorized capital stock will consist of shares of Class A common stock, par value $0.001 per share, shares of Class B common stock, par value $0.001 per share and shares of preferred stock, par value per share.

Class A Common Stock

Class A common stock outstanding. Immediately prior to the completion of this offering, there were no outstanding shares of our Class A common stock, and all of the outstanding common stock of Health Insurance Innovations, Inc., par value $0.01 per share (which has been designated as Common Stock in our certificate of incorporation), was held of record by Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, entities beneficially owned by Michael W. Kosloske, our Chairman, President and Chief Executive Officer. There will be shares of Class A common stock outstanding, assuming no exercise of the underwriters' over-allotment option, after giving effect to the sale of the shares of Class A common stock offered hereby. All outstanding shares of Class A common stock are fully paid and non-assessable, and the shares of Class A common stock to be issued upon completion of this offering will be fully paid and non-assessable.

Voting rights. The holders of Class A common stock are entitled to one vote per share on all matters to be voted upon by the stockholders.

Dividend rights. Subject to preferences that may be applicable to any outstanding preferred stock, the holders of Class A common stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by the board of directors out of funds legally available therefor. See "Dividend Policy."

Rights upon liquidation. In the event of liquidation, dissolution or winding up of Health Insurance Innovations, Inc., the holders of Class A common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding.

Other rights. The holders of our Class A common stock have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the Class A common stock. The rights, preferences and privileges of holders of our common stock will be subject to those of the holders of any shares of our preferred stock we may issue in the future.

Class B Common Stock

Issuance of Class B Common Stock with Membership Interests. Immediately prior to the completion of this offering, we intend to amend and restate our certificate of incorporation to reclassify each outstanding share of Common Stock held of record by Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, as shares of Class B common stock, par value $0.001 per share. Following this offering, shares of our Class B common stock are issuable only in connection with the issuance of Series B Membership Interests of

Health Plan Intermediaries Holdings, LLC. When a Series B Membership Interest is issued by Health Plan Intermediaries Holdings, LLC, we will issue the holder one share of our Class B common stock. Each share of our Class B common stock will be redeemed and cancelled by us if the holder exchanges one Series B Membership Interest and such share of Class B common stock for one share of Class A common stock pursuant to the terms of the exchange agreement, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part. See "The Reorganization of our Corporate Structure–Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC–Exchange Agreement."

Voting Rights. Our Class B stockholders will be entitled to one vote for each share held of record on all matters submitted to a vote of our stockholders. Our Class A stockholders and Class B stockholders will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law. Delaware law would require either our Class A stockholders and Class B stockholders to vote separately as a single class in the following circumstances:

- if we amend our amended and restated certificate of incorporation to increase the authorized shares of a class of stock, or to increase or decrease the par value of a class of stock, then such class would be required to vote separately to approve the proposed amendment; or
- if we amend our certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of stock in a manner that affects holders of such class of stock adversely then such class would be required to vote separately to approve such proposed amendment.

Dividend rights. Our Class B stockholders will not participate in any dividends declared by our board of directors.

Rights upon liquidation. In the event of any dissolution, liquidation, or winding up of our affairs, whether voluntary or involuntary, after payment of our debts and other liabilities and making provision for any holders of our preferred stock who have a liquidation preference, our Class B stockholders will not be entitled to receive any of our assets.

Other rights. In the event of our merger or consolidation with or into another company in connection with which shares of Class A common stock and Class B common stock (together with the related membership interests) are converted into, or become exchangeable for, shares of stock, other securities or property (including cash), each Class B stockholder will be entitled to receive the same number of shares of stock as is received by Class A stockholders for each share of Class A stock, and will not be entitled, for each share of Class B stock, to receive other securities or property (including cash). No shares of Class B common stock will have preemptive rights to purchase additional shares of Class B common stock.

Preferred Stock

Our board of directors has the authority to issue shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of such series, without further vote or action by the stockholders.

The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of Health Insurance Innovations, Inc. without further action by the stockholders and may adversely affect the voting and other rights of the holders of Class A common stock. At present, we have no plans to issue any preferred stock.

Election and Removal of Directors; Vacancies

Our board of directors will consist of between three and nine directors, excluding any directors elected by holders of preferred stock pursuant to provisions applicable in the case of defaults. The exact number of directors

will be fixed from time to time by resolution of the board. In accordance with our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective upon the completion of the offering, each of our directors will serve for a one-year term or until his or her successor is elected and qualified. At each annual meeting of our stockholders, our stockholders will elect the members of our board of directors. There will be no limit on the number of terms a director may serve on our board of directors.

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that (a) prior to the date on which Mr. Kosloske ceases to beneficially own at least a majority in voting power of all shares entitled to vote generally in the election of directors, directors may be removed with or without cause upon the affirmative vote of holders of at least a majority of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors, and (b) on and after the date Mr. Kosloske ceases to beneficially own at least a majority in voting power of all outstanding shares entitled to vote generally in the election of directors, directors may be removed only for cause and only upon the affirmative vote of holders of at least 75% of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class. In addition, our amended and restated bylaws will provide that any newly-created directorship on the board of directors that results from an increase in the number of directors and any vacancy occurring on the board of directors shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

No Cumulative Voting

The Delaware General Corporation Law, or DGCL, provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless our amended and restated certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation prohibits cumulative voting.

Limits on Written Consents

The DGCL permits stockholder action by written consent unless otherwise provided by our amended and restated certificate of incorporation. Our amended and restated certificate of incorporation permits stockholder action by written consent but precludes stockholder action by written consent after the date on which Mr. Kosloske ceases to beneficially own at least a majority in voting power of all shares entitled to vote generally in the election of our directors.

Stockholder Meetings

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that special meetings of stockholders may be called only by the board of directors, the chairman of the board of directors or the chief executive officer; provided, however, if Mr. Kosloske beneficially owns at least a majority of all of the outstanding shares of our capital stock entitled to vote, special meetings of stockholders may be called by the holders of a majority of the total voting power of our then outstanding capital stock.

Amendment of Amended and Restated Certificate of Incorporation

Our amended and restated certificate of incorporation provides that, at any time when Mr. Kosloske is the beneficial owner of less than a majority in voting power of our outstanding common stock, the provisions of our amended and restated certificate of incorporation relating to our capital structure, voting rights, dividends, bylaws, board of directors, limited liability of directors, indemnification of directors, amendment of our amended and restated certificate of incorporation and meetings of stockholders may be amended only by the affirmative vote of holders of at least 75% of the voting power of our outstanding shares of voting stock, voting together as a

single class. The affirmative vote of holders of at least a majority of the voting power of our outstanding shares of stock will generally be required to amend other provisions of our amended and restated certificate of incorporation.

Amendment of Amended and Restated Bylaws

Our amended and restated bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with:

the affirmative vote of a majority of directors present at any regular or special meeting of the board of directors called for that purpose, provided that any alteration, amendment or repeal of, or adoption of any bylaw inconsistent with, specified provisions of the bylaws, including those related to special and annual meetings of stockholders, action of stockholders by written consent, classification of the board of directors, nomination of directors, special meetings of directors, removal of directors and committees of the board of directors, requires the affirmative vote of at least 75% of all directors in office at a meeting called for that purpose; or

the affirmative vote of holders of 75% of the voting power of our outstanding shares of voting stock, voting together as a single class.

Other Limitations on Stockholder Actions

Our bylaws will also impose some procedural requirements on stockholders who wish to:

make nominations in the election of directors;

propose that a director be removed;

propose any repeal or change in our bylaws; or

propose any other business to be brought before an annual or special meeting of stockholders.

Under these procedural requirements, in order to bring a proposal before a meeting of stockholders, a stockholder must deliver timely notice of a proposal pertaining to a proper subject for presentation at the meeting to our corporate secretary along with the following:

a description of the business or nomination to be brought before the meeting and the reasons for conducting such business at the meeting;

the stockholder' s name and address;

any material interest of the stockholder in the proposal;

the number of shares beneficially owned by the stockholder and evidence of such ownership; and

the names and addresses of all persons with whom the stockholder is acting in concert and a description of all arrangements and understandings with those persons, and the number of shares such persons beneficially own.

To be timely, a stockholder must generally deliver notice:

in connection with an annual meeting of stockholders, not less than 120 nor more than 180 days prior to the month and day corresponding to the date on which the annual meeting of stockholders was held in the immediately preceding year, but in the event that the date of the annual meeting is more than 30 days before or more than 60 days after the anniversary date of the preceding annual meeting of stockholders, a stockholder notice will be timely if received by us not later than the close of business on the later of (1) the 120th day prior to the annual meeting and (2) the 10th day following the day on which we first publicly announce the date of the annual meeting; or

in connection with the election of a director at a special meeting of stockholders, not less than 40 nor more than 60 days prior to the date of the special meeting, but in the event that less than 55 days' notice or prior public disclosure of the date of the special meeting of the stockholders is given or made to the stockholders, a stockholder notice will be timely if received by us not later than the close of business on the 10th day following the day on which a notice of the date of the special meeting was mailed to the stockholders or the public disclosure of that date was made.

In order to submit a nomination for our board of directors, a stockholder must also submit any information with respect to the nominee that we would be required to include in a proxy statement, as well as some other information. If a stockholder fails to follow the required procedures, the stockholder's proposal or nominee will be ineligible and will not be voted on by our stockholders.

Limitation of Liability of Directors and Officers

Our amended and restated certificate of incorporation will provide that no director will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except as required by applicable law, as in effect from time to time. Currently, Delaware law requires that liability be imposed for the following:

any breach of the director's duty of loyalty to our company or our stockholders;

any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law;

unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; and

any transaction from which the director derived an improper personal benefit.

As a result, neither we nor our stockholders have the right, through stockholders' derivative suits on our behalf, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior, except in the situations described above.

Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims and liabilities arising out of the fact that the person is or was our director or officer, or served any other enterprise at our request as a director, officer, employee, agent or fiduciary. We will reimburse the expenses, including attorneys' fees, incurred by a person indemnified by this provision when we receive an undertaking to repay such amounts if it is ultimately determined that the person is not entitled to be indemnified by us. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Forum Selection

The Court of Chancery of the State of Delaware will be the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employee to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, or (4) any action asserting a claim governed by the internal affairs doctrine, or if such court shall not have jurisdiction, any federal court located in the State of Delaware or other Delaware state court. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the foregoing forum selection provisions.

Anti-Takeover Effects of Some Provisions

Some provisions of our amended and restated certificate of incorporation and bylaws could make the following more difficult:

acquisition of control of us by means of a proxy contest or otherwise, or

removal of our incumbent officers and directors.

These provisions, as well as our ability to issue preferred stock, are designed to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that the benefits of this increased protection outweigh the disadvantages of discouraging those proposals, because negotiation of those proposals could result in an improvement of their terms.

Delaware Business Combination Statute

We have opted out of Section 203 of the DGCL. However, in the event that Mr. Kosloske ceases to beneficially own at least 25% of the total voting power of all the then outstanding shares of our capital stock, we will automatically become subject to Section 203 of the DGCL.

Subject to specified exceptions, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder. "Business combinations" include mergers, asset sales and other transactions resulting in a financial benefit to the "interested stockholder." Subject to various exceptions, an "interested stockholder" is a person who together with his or her affiliates and associates, owns, or within three years did own, 15% or more of the corporation' s outstanding voting stock. These restrictions generally prohibit or delay the accomplishment of mergers or other takeover or change in control attempts.

Listing

We have applied to list the Class A common stock on the NASDAQ Global Market under the symbol "HIIQ."

Transfer Agent and Registrar

The transfer agent and registrar for the Class A common stock is American Stock Transfer & Trust Company, LLC.

U.S. FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF CLASS A COMMON STOCK

The following is a discussion of the material U.S. federal income and estate tax consequences of the ownership and disposition of the Company' s Class A common stock by a beneficial owner that is a "non-U.S. holder", other than a non-U.S. holder that owns, or has owned, actually or constructively, more than 5% of the Company' s Class A common stock. A "non-U.S. holder" is a person or entity that, for U.S. federal income tax purposes, is:

- a non-resident alien individual, other than certain former citizens and residents of the United States subject to tax as expatriates;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of a jurisdiction other than the United States or any state or political subdivision thereof or the District of Columbia; or
- an estate or trust, other than an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

A "non-U.S. holder" does not include an individual who is present in the United States for 183 days or more in the taxable year of disposition and is not otherwise a resident of the United States for U.S. federal income tax purposes. Such an individual is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the sale, exchange or other disposition of the Class A common stock.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), and administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to non-U.S. holders in light of their particular circumstances and it does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction.

If a partnership holds the Company' s Class A common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partnership holding Class A common stock, or a partner in such a partnership, you should consult your tax advisors.

Prospective holders are urged to consult their tax advisors with respect to the particular tax consequences to them of owning and disposing of the Class A common stock, including the consequences under the laws of any state, local or foreign jurisdiction.

Dividends

As discussed under "Dividend Policy" above, the Company does not currently expect to pay dividends. In the event that the Company does make any distributions with respect to its shares of Class A common stock, such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent paid out of the Company' s current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds the Company' s current and accumulated earnings and profits as determined under U.S. federal income tax principles, the excess will be treated first as a tax-free return of the non-U.S. holder' s adjusted tax basis in the Class A common stock and thereafter as capital gain, subject to the tax treatment described below in "Gain on Disposition of the Class A Common Stock." Dividends paid to a non-U.S. holder of the Class A common stock generally will be subject to withholding tax at a 30% rate or a reduced rate specified by an applicable income tax treaty. In order to obtain a reduced rate of withholding, a non-U.S. holder will be required to provide an Internal Revenue Service Form W-8BEN certifying its entitlement to benefits under a treaty. Additional certification requirements apply if a non-U.S. holder holds the Class A common stock through a foreign partnership or a foreign intermediary.

The withholding tax does not apply to dividends paid to a non-U.S. holder who provides a Form W-8ECI, certifying that the dividends are effectively connected with the non-U.S. holder' s conduct of a trade or business within the United States. Instead, the effectively connected dividends will be subject to regular U.S. income tax as if the non-U.S. holder were a United States person (as defined in the Code) unless an applicable treaty provides otherwise. A non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower treaty rate) with respect to its effectively-connected earnings and profits attributable to such dividends and other income.

If you are a non-U.S. holder, you may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for a refund with the Internal Revenue Service. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under an appropriate income tax treaty and the specific manner of claiming the benefits of the treaty.

Gain on Disposition of the Class A Common Stock

Subject to the discussion of backup withholding below, a non-U.S. holder generally will not be subject to U.S. federal income tax on gain realized on a sale or other disposition of the Class A common stock unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States, subject to an applicable treaty providing otherwise; or
- the Company is or has been a U.S. real property holding corporation, as defined in the Code, at any time within the five-year period preceding the disposition or the non-U.S. holder' s holding period, whichever period is shorter, and the Class A common stock has ceased to be traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs.

The Company believes that it is not, and does not anticipate becoming, a U.S. real property holding corporation.

Gain that is effectively connected with a U.S. trade or business will be subject to regular U.S. income tax as if the non-U.S. holder were a U.S. person, subject to an applicable treaty providing otherwise. A non-U.S. corporation with effectively connected gains may also be subject to additional "branch profits tax" imposed at a rate of 30% (or a lower treaty rate) with respect to its effectively-connected earnings and profits attributable to such gains and other income.

Information Reporting and Backup Withholding

Information returns will be filed with the Internal Revenue Service in connection with payments of dividends. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. A non-U.S. holder may have to comply with certification procedures to establish that it is not a United States person in order to avoid information reporting and backup withholding with respect to payments of dividends and the proceeds from a sale or other disposition of the Class A common stock. The amount of any backup withholding from a payment to a non-U.S. holder will be allowed as a credit against such holder' s United States federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Additional Withholding Rules

Recent legislation generally imposes withholding at a rate of 30% on payments to certain foreign entities of dividends on and the gross proceeds of dispositions of U.S. common stock, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or

accounts with those entities) have been satisfied. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under proposed regulations and related guidance issued by the Treasury Department, this withholding will apply to payments of dividends on the Class A common stock made on or after January 1, 2014 and to payments of gross proceeds from a sale or other disposition of the Class A common stock made on or after January 1, 2017.

Notwithstanding the foregoing, the proposed regulations will not be effective until issued in final form. There can be no assurance either as to when final regulations relating to the legislation described above will be issued or as to the particular form that those final regulations might take. Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in the Class A common stock.

Federal Estate Tax

Individual non-U.S. holders and entities the property of which is potentially includible in such an individual' s gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that, absent an applicable treaty benefit, the Class A common stock will be treated as U.S. situs property subject to U.S. federal estate tax.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for our Class A common stock. Future sales of substantial amounts of our Class A common stock in the public market or the perception that such sales might occur could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our Class A common stock in the public market after the restrictions lapse. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

After completion of this offering and after giving effect to the reorganization, we will have shares of Class A common stock outstanding (assuming no exercise of the underwriters' over-allotment option). All of the shares of Class A common stock sold in this offering, plus any shares sold upon exercise of the underwriters' over-allotment option, will be freely tradable without restrictions or further registration under the Securities Act, unless the shares are purchased by our "affiliates" as that term is defined in Rule 144 under the Securities Act and except certain shares that will be subject to the lock-up period described in the next succeeding paragraph after completion of this offering. Any shares owned by our affiliates may not be resold except in compliance with Rule 144 volume limitations, manner of sale and notice requirements, pursuant to another applicable exemption from registration or pursuant to an effective registration statement. The shares of Class A common stock issuable to our Class B stockholders will be "restricted securities" as that term is defined in Rule 144 under the Securities Act. These restricted securities may be sold in the public market only if they are registered or if they qualify for an exemption from registration under Rule 144 under the Securities Act. This rule is summarized below.

In addition, at our request, the underwriters have reserved up to shares of the shares of Class A common stock offered for sale pursuant to this prospectus for sale to some of our directors, executive officers, employees and business associates in a directed shares program. Any of these directed shares purchased by our directors, executive officers and business associates, such as distributors, will be subject to the 180-day lock-up restriction described under "Underwriting." Accordingly, the number of shares freely transferable upon completion of this offering will be reduced by the number of directed shares purchased by our directors, executive officers and business associates, and there will be a corresponding increase in the number of shares that become eligible for sale after 180 days from the date of this prospectus.

Rule 144

In general with Rule 144 as currently in effect, a person who has beneficially owned restricted shares of our Class A common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our Class A common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately shares immediately after this offering (assuming no exercise of the underwriters' over-allotment option); or
- the average weekly trading volume of our Class A common stock on the NASDAQ Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

We are unable to estimate the number of shares that will be sold under Rule 144 since this will depend on the market price for our common stock, the personal circumstances of the stockholder and other factors.

Class A Common Stock Issuable Upon Exchange of Membership Interests

After completion of this offering, Series B Membership Interests of Health Plan Intermediaries, LLC will be outstanding (assuming no exercise of the underwriters' over-allotment option). Each Series B Membership Interest (together with a share of Class B common stock) will be exchangeable for a share of Class A common stock. Pursuant to the registration rights agreement that we will enter into with Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC, upon request we will use our best efforts to file a registration statement for the sale of shares of Class A common stock issued to those entities in exchange for Series B Membership Interests and Class B common stock. If Health Plan Intermediaries, LLC and Health Plan Intermediaries Sub, LLC exercised all their exchange and resale rights, shares of Class A common stock would be issued to them and registered for resale (representing % of the number of shares in our Class A common stock outstanding immediately after this offering) (assuming no exercise of the underwriters' over-allotment option). See "The Reorganization of Our Corporate Structure–Registration Rights Agreement."

Stock Options

shares of Class A common stock are available for future option grants under our to be adopted stock plans.

On , 2013, we approved the grant to Mr. Hershberger of an award of restricted shares. These restricted shares will be granted under our to be adopted long term incentive plan on or shortly after the closing of this offering and will be subject to the vesting schedule as is described under "Executive Compensation–Restricted Stock Agreements."

Upon completion of this offering, we intend to file a registration statement under the Securities Act covering all shares of Class A common stock issuable pursuant to our to be adopted long term incentive plan. Subject to Rule 144 volume limitations applicable to affiliates, shares registered under any registration statements will be available for sale in the open market, beginning 90 days after the date of the prospectus, except to the extent that the shares are subject to vesting restrictions with us or the contractual restrictions described below.

Lock-up Agreements

Our directors and executive officers have agreed, subject to limited exceptions, not to offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our Class A Common Stock or securities convertible into or exchangeable or exercisable for any shares of our Class A Common Stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our Class A Common Stock, whether any of these transactions are to be settled by delivery of our Class A Common Stock or other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC and Citigroup Global Markets Inc. for a period of 180 days after the date of this prospectus.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , 2013, we have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC and Citigroup Global Markets Inc. are acting as Representatives, the following respective numbers of shares of Class A common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Citigroup Global Markets Inc.	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Raymond James Financial Inc.	
Total	

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of Class A common stock in the offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to additional shares at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of Class A common stock.

The underwriters propose to offer the shares of Class A common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. After the initial public offering the Representatives may change the public offering price and concession.

The following table summarizes the compensation and estimated expenses we will pay (in thousands, except per share amounts):

	Per Share		Total	
	Without Over-allotment	With Over-allotment	Without Over-allotment	With Over-allotment
Underwriting discounts and commissions paid by us	$	$	$	$
Expenses payable by us	$	$	$	$

The Representatives have informed us that they do not expect sales to accounts over which the underwriters have discretionary authority to exceed 5% of the shares of Class A common stock being offered.

We have agreed that we will not, subject to certain exceptions, offer, sell, issue, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any shares of our Class A common stock or securities convertible into or exchangeable or exercisable for any shares of our Class A common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of the Representatives for a period of 180 days after the date of this prospectus. Notwithstanding the foregoing, the restrictions set forth above shall not apply to any transfer in connection with, and as contemplated by, the reorganization transactions described under “The Reorganization of Our Corporate Structure.”

Our directors and executive officers have agreed that, subject to certain exceptions, they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our Class A common stock or securities convertible into or exchangeable or exercisable for any shares of our Class A common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our Class A common stock, whether any of these transactions are to be settled by delivery of our Class A common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of the Representatives for a period of 180 days after the date of this prospectus. Notwithstanding the foregoing, the restrictions set forth above shall not apply to any transfer in connection with, and as contemplated by, the reorganization transactions described under "The Reorganization of Our Corporate Structure."

The underwriters have reserved for sale at the initial public offering price up to shares of the Class A common stock for employees, directors and other persons associated with us who have expressed an interest in purchasing Class A common stock in the offering. The number of shares available for sale to the general public in the offering will be reduced to the extent these persons purchase the reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares.

We have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

We have applied to have our Class A common stock approved for listing on the NASDAQ Global Market under the symbol "HIIQ".

Prior to this offering, there has been no public market for our Class A common stock. The initial public offering price was determined by negotiations among us and the Representatives and will not necessarily reflect the market price of the Class A common stock following this offering. The principal factors that will be considered in determining the initial public offering price will include:

- the information presented in this prospectus and otherwise available to the underwriters;
- the history of, and prospects for, the industry in which we will compete;
- the ability of our management;
- the prospects for our future earnings;
- the present state of our development and our current financial condition;
- the general condition of the securities markets at the time of the offering; and
- the recent market prices of, and the demand for, publicly traded Class A common stock of generally comparable companies.

We cannot assure you that the initial public offering price will correspond to the price at which the Class A common stock will trade in the public market subsequent to this offering or that an active trading market for the Class A common stock will develop and continue after this offering.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions and syndicate covering transactions in accordance with Regulation M under the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of

shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

Syndicate covering transactions involve purchases of the Class A common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our Class A common stock or preventing or retarding a decline in the market price of the Class A common stock. As a result, the price of our Class A common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NASDAQ Global Market or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The Representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), our common shares will not be offered to the public in that Relevant Member State prior to the publication of a prospectus in relation to the common shares that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that, with effect from and including the Relevant Implementation Date, an offer of common shares may be made to the public in that Relevant Member State at any time:

to any legal entity that is a qualified investor as defined in the Prospectus Directive;

to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the manager for any such offer; or

in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3(2) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of common shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the common shares to be offered so as to enable an investor to decide to purchase or subscribe the common shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Notice to Prospective Investors in France

Neither this prospectus nor any other offering material relating to the shares described in this prospectus has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the shares has been or will be:

released, issued, distributed or caused to be released, issued or distributed to the public in France; or

used in connection with any offer for subscription or sale of the shares to the public in France.

Such offers, sales and distributions will be made in France only:

to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d' investisseurs*), in each case investing for their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;

to investment services providers authorized to engage in portfolio management on behalf of third parties; or

in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French *Code monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l' épargne*).

The shares may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Hong Kong

(1) We have not offered or sold and will not offer or sell our Class A common stock in Hong Kong SAR by means of this prospectus or any other document, other than to persons whose ordinary business involves buying or selling shares or debentures, whether as principal or agent or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong SAR), and (2) unless we are permitted to do so under the securities laws of Hong Kong SAR, we have not issued or held for the purpose of issue in Hong Kong and will not issue or hold for the purpose of issue in Hong Kong SAR this prospectus, any other offering material or any advertisement, invitation or document relating to the Class A common stock, otherwise than with respect to Class A common stock intended to be disposed of to persons outside Hong Kong SAR or only to persons whose business involves the acquisition, disposal, or holding of securities, whether as principal or as agent.

Japan

The Class A common stock offered in this prospectus has not been and will not be registered under the Financial Instruments and Exchange Law of Japan. The Class A common stock has not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan (including any corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Class A common stock, may not be circulated or distributed, nor may the Class A common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (1) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (2) to a sophisticated investor, and in accordance with the conditions, specified in Section 275 of the SFA or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market

Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

United Kingdom

Our Class A common stock may not be offered or sold and will not be offered or sold to any persons in the United Kingdom other than persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses and in compliance with all applicable provisions of the Financial Services and Markets Act 2000 ("FSMA") with respect to anything done in relation to our Class A common stock in, from or otherwise involving the United Kingdom.

In addition, each underwriter:

has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act of 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to the company; and

has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Class A common stock in, from or otherwise involving the United Kingdom.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of our Class A common stock in Canada is being made only in the provinces of Ontario and Quebec on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of Class A common stock are made. Any resale of the Class A common stock in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Class A common stock.

Representations of Purchasers

By purchasing Class A common stock in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

the purchaser is resident in either the Province of Ontario or Quebec, and is not acquiring the securities for the account or benefit of any individual or entity that is resident in any province or territory of Canada other than the Province of Ontario or Quebec;

the purchaser is entitled under applicable provincial securities laws to purchase the Class A common stock without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106 – Prospectus and Registration Exemptions;

the purchaser is a "Canadian permitted client" as defined in National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, or as otherwise interpreted and applied by the Canadian Securities Administrators;

where required by law, the purchaser is purchasing as principal and not as agent;

the purchaser has reviewed the text above under "Resale Restrictions"; and

the purchaser acknowledges and consents to the provision of specified information concerning the purchase of the Class A common stock to the regulatory authority that by law is entitled to collect the information, including certain personal information. For purchasers in Ontario, questions about such indirect collection of personal information should be directed to Administrative Support Clerk, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8 or to (416) 593-3684.

Rights of Action–Ontario Purchasers

Under Ontario securities legislation, certain purchasers who purchase a security offered by this document during the period of distribution will have a statutory right of action for damages, or while still the owner of the Class A common stock, for rescission against us in the event that this document contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the Class A common stock. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the Class A common stock. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the Class A common stock were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not

represent the depreciation in value of the Class A common stock as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of Class A common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Class A common stock in their particular circumstances and about the eligibility of the investment by the purchaser under relevant Canadian legislation.

LEGAL MATTERS

The validity of the issuance of the shares of Class A common stock offered hereby will be passed upon for us by Davis Polk & Wardwell LLP, New York, New York. The underwriters have been represented by Cravath, Swaine & Moore LLP, New York, New York.

EXPERTS

The consolidated financial statements of Health Plan Intermediaries, LLC as of September 30, 2012 (Successor) and December 31, 2011 (Successor) and for the periods from January 1, 2012 to September 30, 2012 (Successor), October 1, 2011 to December 31, 2011 (Successor) and January 1, 2011 to September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor) appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC, Washington, D.C. 20549, a registration statement on Form S-1 under the Securities Act with respect to the Class A common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to the Company and its Class A common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and schedules thereto, may be read and copied at the SEC' s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at www.sec.gov, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto.

As a result of the offering, we will become subject to the informational requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. We intend to furnish our stockholders with annual reports containing financial statements certified by an independent public accounting firm. We also maintain an Internet site at www.hiiquote.com. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

INDEX TO

FINANCIAL STATEMENTS

Health Plan Intermediaries, LLC and Subsidiaries

Health Insurance Innovations, Inc.

The financial statements of Health Insurance Innovations, Inc. have been omitted from this presentation because the entity has not commenced operations, and has no activities except in connection with its formation, as described under "The Reorganization of Our Corporate Structure."

Report of Independent Registered Public Accounting Firm

The Member of Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

We have audited the accompanying consolidated balance sheets of Health Plan Intermediaries, LLC d/b/a Health Insurance Innovations and subsidiary (the Company) as of September 30, 2012 (Successor) and December 31, 2011 (Successor), and the related consolidated statements of operations, member' s equity (deficit), and cash flows for the periods from January 1, 2012 to September 30, 2012 (Successor), October 1, 2011 to December 31, 2011 (Successor) and January 1, 2011 to September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor). These financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company' s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company' s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Health Plan Intermediaries, LLC d/b/a Health Insurance Innovations and subsidiary at September 30, 2012 (Successor) and December 31, 2011 (Successor), and the consolidated results of their operations and their cash flows for the periods from January 1, 2012 to September 30, 2012 (Successor), October 1, 2011 to December 31, 2011 (Successor) and January 1, 2011 to September 30, 2011 (Predecessor) and the year ended December 31, 2010 (Predecessor), in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP
Certified Public Accountants

Tampa, Florida
December 20, 2012

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Health Plan Intermediaries, LLC and Subsidiaries
d/b/a Health Insurance Innovations

Consolidated Balance Sheets (Successor)

	September 30, 2012	December 31, 2011
Assets		
Current assets:		
Cash	$981,884	$618,109
Cash held on behalf of others	3,570,510	3,029,774
Credit card transactions receivable	137,794	73,666
Credit card transactions receivable for others	846,450	452,518
Accounts receivable	315,396	196,706
Notes receivable	95,000	–
Advanced commissions	300,120	23,771
Prepaid expenses	26,727	23,339
Gateway processor deposit	–	400,000
Total current assets	6,273,881	4,817,883
Property and equipment, net of accumulated depreciation	206,622	124,924
Accounts receivable	–	57,078
Deferred financing costs, net	88,247	122,486
Capitalized offering costs	862,513	–
Deposits	20,514	8,009
Goodwill	5,906,106	5,906,106
Intangible assets, net of accumulated amortization	4,184,422	4,031,214
Total assets	$17,542,305	$15,067,700
Liabilities and member' s equity		
Current liabilities:		
Accounts payable and accrued expenses	$1,540,207	$342,194
Carriers and vendors payable	2,975,983	2,254,424
Commissions payable	1,440,977	1,255,898
Unearned commissions	196,458	–
Notes payable	110,475	–
Deferred rent	13,153	–
Deferred other income	8,434	–
Current portion of long-term debt	801,952	769,276
Current portion of noncompete obligation	177,372	–
Current portion of capital leases	2,467	5,346
Due to member	–	125,752
Total current liabilities	7,267,478	4,752,890
Capital lease obligations, less current portion	4,331	9,520
Long-term debt, less current portion	2,688,136	3,293,466
Noncompete obligation	665,355	–
Deferred rent	48,127	15,925
Total liabilities	10,673,427	8,071,801
Member' s equity	6,882,114	6,995,899

Noncontrolling interest in subsidiary	(13,236)	–
Total equity	6,868,878	6,995,899
Total liabilities and equity	$17,542,305	$15,067,700

See accompanying notes.

Health Plan Intermediaries, LLC and Subsidiaries
d/b/a Health Insurance Innovations

Consolidated Statements of Operations

	Successor		Predecessor	
	Nine-Month Period Ended September 30, 2012	Three-Month Period Ended December 31, 2011	Nine-Month Period Ended September 30, 2011	Year Ended December 31, 2010
Revenues (premium equivalents of $54,549,087, $14,949,088, $38,256,738 and $20,024,069 for the Successor period ended September 30, 2012, Successor period ended December 31, 2011, Predecessor period ended September 30, 2011, and the Predecessor year ended December 31, 2010, respectively)	$30,101,980	$8,090,116	$21,788,101	$11,790,300
Third-party commissions	20,093,404	5,600,758	16,102,759	9,009,880
Credit cards and ACH fees	692,883	197,128	473,580	275,640
General and administrative expenses	5,786,140	1,420,765	3,340,730	2,514,020
Depreciation and amortization	770,878	269,390	29,311	6,851
Total operating costs and expenses	27,343,305	7,488,041	19,946,380	11,806,391
Income (loss) from operations	2,758,675	602,075	1,841,721	(16,091)
Other expenses (income):				
Interest expense	194,318	71,213	–	–
Interest income	–	–	–	(3,244)
Other income	(21,603)	–	–	–
Net income (loss)	2,585,960	530,862	1,841,721	(12,847)
Net loss attributable to noncontrolling interest in subsidiary	(63,236)	–	–	–
Net income (loss) attributable to Health Plan Intermediaries, LLC	$2,649,196	$530,862	$1,841,721	$(12,847)

See accompanying notes.

Health Plan Intermediaries, LLC and Subsidiaries
d/b/a Health Insurance Innovations

Consolidated Statements of Member' s Equity (Deficit)

	Member' s equity	Noncontrolling interest in subsidiary	Total
Balance at January 1, 2010 (Predecessor)	$(165,305)	$ –	$(165,305)
Net income (loss)	(12,847)	–	(12,847)
Contributions from members	101,325	–	101,325
Balance at December 31, 2010 (Predecessor)	(76,827)	–	(76,827)
Net income	1,841,721	–	1,841,721
Distributions to members	(1,301,000)	–	(1,301,000)
Balance at September 30, 2011 (Predecessor)	463,894	–	463,894
Balance at October 1, 2011 (Successor)	463,894	–	463,894
Net income	530,862	–	530,862
Contributions from member	1,135,036	–	1,135,036
Purchase of member' s interest in Company and adjustment to member' s equity to reflect fair value	4,866,107	–	4,866,107
Balance at December 31, 2011 (Successor)	6,995,899	–	6,995,899
Net income (loss)	2,649,196	(63,236)	2,585,960
Contributions from minority partner	–	50,000	50,000
Distributions to member	(2,762,981)	–	(2,762,981)
Balance at September 30, 2012 (Successor)	$6,882,114	$ (13,236)	$6,868,878

See accompanying notes.

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Health Plan Intermediaries, LLC and Subsidiaries
d/b/a Health Insurance Innovations

Consolidated Statements of Cash Flows

	Successor		Predecessor	
	Nine-Month Period Ended September 30, 2012	Three-Month Period Ended December 31, 2011	Nine-Month Period Ended September 30, 2011	Year Ended December 31, 2010
Operating activities				
Net income (loss)	$2,585,960	$530,862	$1,841,721	$(12,847)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	770,878	269,390	29,311	6,851
Amortization of deferred financing costs	34,239	12,550	–	–
Change in operating assets and liabilities:				
Increase in cash held on behalf of others	(540,736)	(203,900)	(414,168)	(2,359,698)
Increase (decrease) in credit card transactions receivable	(458,060)	17,426	(460,672)	(82,938)
Increase (decrease) in accounts receivable	(61,612)	93,285	(179,264)	(74,995)
Increase in advanced commissions	(276,349)	(23,771)	–	–
Decrease (increase) in gateway processor deposit	400,000	–	(400,000)	–
Increase (decrease) in prepaid expenses and deposits	4,862	(119,879)	83,717	(88,851)
Increase (decrease) in carriers and vendors payable	721,559	(155,516)	1,266,876	1,127,674
Increase (decrease) in accounts payable, accrued and deferred expenses	1,206,802	18,050	(182,083)	339,000
Increase in commissions payable	185,079	45,497	411,514	679,690
Increase in unearned commissions	196,458	–	–	–
(Decrease) increase in amounts due to members	(125,752)	125,752	(359,602)	435,400
Net cash provided by (used in) operating activities	4,643,328	609,746	1,637,350	(30,714)
Investing activities				
Purchases of property and equipment	(118,057)	(23,802)	(38,453)	(79,508)
Loan to distributor	(220,000)	–	–	–
Proceeds from repayment of distributor loan	125,000	–	–	–
Payments made on business acquisition	–	(5,330,000)	–	–
Net cash used in investing activities	(213,057)	(5,353,802)	(38,453)	(79,508)
Financing activities				
Issuance of long-term debt	–	4,250,000	–	–
Principal payments on notes payable	(10,280)	–	–	–
Principal payments on long-term debt	(572,654)	(187,258)	–	–
Proceeds from note payable	100,000	–	–	–
Payment of financing costs	–	(135,036)	–	–
Payment of fees for equity issuance	(862,513)	–	–	–
Payments on capital leases	(8,068)	(1,303)	(3,771)	(2,270)
Capital contribution	–	1,135,036	–	101,325
Proceeds from issuance of non-controlling interest in subsidiary	50,000	–	–	–
Distributions to member	(2,762,981)	–	(1,301,000)	–

Net cash (used in) provided by financing activities	(4,066,496)	5,061,439	(1,304,771)	99,055
Net increase in cash	363,775	317,383	294,126	(11,167)
Cash at beginning of period	618,109	300,726	6,600	17,767
Cash at end of period	$981,884	$618,109	$300,726	6,600
Supplemental disclosures of cash flow information				
Cash paid for interest	$152,795	$55,578	$–	$–
Supplemental disclosure of non-cash investing and financing activities				
Equipment acquired through capital leases	$–	$–	$–	$22,210
Software acquired through issuance of trade payable	$45,000	$–	$–	$–
Purchase of insurance through premium financing agreement	$20,755	$–	$–	$–
Noncompete agreement acquired through issuance of long-term payable	$842,727	$–	$–	$–

See accompanying notes.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements

September 30, 2012

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies

Description of the Company

Health Plan Intermediaries, LLC, which operates under the name Health Insurance Innovations (the Company), is a developer and administrator of affordable individual health insurance and discount benefit plans that are sold throughout the United States. The Company' s main product, short-term medical insurance, which is referred to as STM, is an alternative to traditional individual major medical plans and generally offers comparable benefits for qualifying individuals. The Company also offers guaranteed-issue hospital indemnity plans for individuals under the age of 65 and a variety of ancillary products that are frequently purchased together with the STM and hospital indemnity plans as supplements. The Company designs and structures insurance products on behalf of the Company' s contracted insurance carrier companies; markets them to individuals through a network of distributors; and manages the member relationship through customer service agents. The Company' s sales are primarily executed online and offer real-time fulfillment through a proprietary web-based technology platform, through which the Company receives credit card and automated clearing house payments directly from the purchasing customers, whom are referred to as "members," at the time of sale. In certain cases, premiums are collected from the distributor. The plans are underwritten by contracted insurance carrier companies, and the Company assumes no underwriting or insurance risk.

The Company was formed as a Florida limited liability company in April 2003. On August 21, 2008, the Naylor Group Partners, LLC (Naylor) made a capital contribution to the Company in exchange for a 50% ownership interest in the Company. On September 28, 2011, the Company purchased all of the units owned by Naylor for $5,330,000, plus deferred financing costs of $135,000. The Company financed a portion of the purchase by entering into a loan agreement with a bank for $4,250,000. The remaining purchase price was funded with the Company' s cash and a capital contribution from Michael Kosloske (Kosloske), the current sole member of the Company.

Basis of Presentation

The September 2011 business acquisition was accounted for as a purchase and the purchase price was "pushed down" to the Company' s financial statements. When using the push-down basis of accounting, the acquired company' s financial statements reflect the new accounting basis recorded by the acquirer. Accordingly, purchase accounting adjustments have been reflected in the Company' s financial statements for the period commencing on October 1, 2011. The new basis of accounting reflects the estimated fair value of the Company' s assets and liabilities as of the date of the transaction. The Company used October 1, 2011, as the effective date of the transaction, since the operating activity between that date and the September 28, 2011 transaction date was not material.

The Company, as it existed prior to the October 1, 2011 acquisition, is referred to as "Predecessor." The Company, as it existed on and after October 1, 2011, is referred to as the "Successor."

The accompanying Predecessor historical financial statements for the periods ended September 30, 2011 and prior represent the financial position and corporate structure as of the dates indicated. The Predecessor' s financial statements are presented at historical cost values and do not reflect the effects of the Company' s new capital structure (debt and ownership) and accounting for the acquired intangible assets and goodwill. Therefore, the result of operations, changes in member' s equity, and cash flows for the predecessor and successor periods are not comparable.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies (continued)

In June 2012, the Company and a minority partner acquired the Insurance Center for Excellence (ICE), a marketing call center. The Company owns an 80% interest in ICE, which has been consolidated in the accompanying consolidated financial statements. All intercompany accounts and transactions have been eliminated.

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP).

All dollar amounts in the footnotes are rounded to the nearest thousand.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. These estimates also affect the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Revenue Recognition

The Company' s revenues consist of commissions earned for health insurance policies and discount benefit plans issued to members, enrollment fees paid by members, and administration fees paid by members as a direct result of the Company' s enrollment services. The member' s payment includes a combination of risk premium, fees for discount benefit plans, fees for distributors and an enrollment fee, which are collectively referred to as "Premium equivalents." Revenues reported by the Company are net of premiums remitted to insurance carriers and fees paid for discount benefit plans. Commissions and fees attributable to the sale of six- or 12-month STM plans and hospital indemnity policies represent substantially all of the Company' s revenue for the periods presented. Revenues are net of an allowance for policies expected to be cancelled by members during a limited cancellation period. The Company establishes the allowance for estimated policy cancellations through a charge to revenue. The allowance is estimated using historical data to project future experience. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported. The Company periodically reviews the adequacy of the allowance and records adjustments as necessary. The net allowance for estimated policy cancellations at September 30, 2012 (Successor) and December 31, 2011 (Successor) was $43,000 and $12,000, respectively.

Revenue is earned at the time of sale. Commission rates for all of the Company' s products are agreed to in advance with the relevant insurance carrier and vary by carrier and policy type. Under the Company' s carrier compensation arrangements, the commission rate schedule that is in effect on the policy effective date governs the commissions over the life of the policy. In addition, the Company earns enrollment and administration fees on policies issued. All amounts due to insurance carriers and discount benefit vendors are reported and paid to them according to the procedures provided for in the contractual agreements between the Company and the individual carrier or vendor. Risk premiums are typically reported and remitted to insurance carriers on the 15th of the month following the end of the month in which they are collected.

In concluding that revenues should be reported on a net basis, the Company considered ASC 605-45-45 and whether it has the responsibility to provide the goods or services to the customer or if it relies on a supplier to provide the goods or services to the customer. The Company is not the ultimate party responsible for providing the insurance coverage or discount benefits to the member and, therefore, the Company is not the primary obligor

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies (continued)

in the arrangement. The supplier, or insurance carrier, bears the risk for that insurance coverage. The Company therefore reports its revenue net of amounts paid to its contracted insurance carrier companies and discount benefit vendors.

Third-Party Commissions

The Company utilizes a broad network of licensed third-party distributors to sell the plans developed by the Company. The Company pays commissions to these distributors based on a percentage of the policy premium that varies by type of policy. The Company pays fees to the distributors for discount benefit plans issued.

Cash Held on Behalf of Others

In the Company' s capacity as the policy administrator, the Company collects premiums from members and distributors and, after deducting the Company' s earned commissions, remits these premiums to the Company' s contracted insurance carriers, discount benefit vendors and distributors. The Company holds the unremitted funds in a fiduciary capacity until they are disbursed and the use of such funds is restricted. The Company holds these funds in bank accounts. These unremitted amounts are reported as cash held on behalf of others in the accompanying consolidated balance sheets with the related liabilities reported as carriers and vendors payable and commissions payable. Cash held on behalf of others at September 30, 2012 (Successor) and December 31, 2011 (Successor) was approximately $3,571,000 and $3,030,000, respectively.

Accounts Receivable

Accounts receivable represent amounts due to the Company for premiums collected by a third party and are generally considered delinquent 15 days after the due date. The underlying insurance contracts are cancelled retroactively if the payment remains delinquent. The Company has not experienced any credit losses from accounts receivable and has not recognized a provision for uncollectible accounts receivable. Approximately $57,000 of accounts receivable have been excluded from current assets as of December 31, 2011 (Successor) because an agreement is in place to collect those amounts in installments through July 2013. At September 30, 2012 the entire accounts receivable balance is current.

Credit Card Transactions Receivable and Credit Card Transactions Receivable for Others

Members may pay their policy premiums to the Company by credit card or through automatic check withdrawal (ACH) transfers. The credit card vendor remits cash for these transactions to the Company periodically. Credit card transactions processed by the credit card vendor, but not yet remitted to the Company are recorded as credit card transactions receivable. A portion of the amount receivable from these transactions is related to carrier premiums, discount benefit plan fees, and commissions and is recorded as credit card transactions receivable for others in the accompanying balance sheet.

The Company incurs fees for these transactions that are expensed as incurred.

Advance Commissions

Advance commissions consist of amounts advanced to certain third-party distributors. The Company began advancing commissions in November 2011. The Company performs ongoing credit evaluations of their distributors, all of which are located in the United States. The Company recovers the advance commissions from

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies (continued)

future commissions earned on premiums collected. The Company has not experienced any credit losses from commission advances and accordingly, has not recognized any provision for bad debt expense for the periods presented. A fee for the advance commission of up to 2% of the insurance premium sold is charged to the distributors and recognized as interest income as earned. The interest income earned from advance commissions for the period ended September 30, 2012 (Successor) and year ended December 31, 2011 (Successor) was approximately $22,000 and $2,000, respectively. There was no interest income earned from advance commissions for the period ending September 30, 2011 (Predecessor) and year ended December 31, 2010 (Predecessor). Advance commissions outstanding at September 30, 2012 (Successor) and December 31, 2011 (Successor) totaled approximately $300,000 and $24,000, respectively.

Capitalization of Offering Costs

Capitalized offering costs are costs directly attributable to the Company' s offering of its equity securities. If the offering is not successful, the capitalized offering costs will be recorded as an expense to the consolidated statement of operations in the period that the determination is made. The Company' s capitalized offering costs as of September 30, 2012 (Successor) were approximately $863,000. The Company did not incur costs related to the offering during the period ended December 31, 2011 (Successor).

Property and Equipment

Property and equipment is recorded at cost, less accumulated depreciation, in the accompanying consolidated balance sheet. As a result of the acquisition and the related application of purchase accounting to the acquired assets and liabilities, there is a new basis of property and equipment subsequent to the acquisition date. See Note 2 for a discussion of the new basis of accounting for property and equipment. Depreciation expense for property and equipment is computed using the straight-line method over the following estimated useful lives:

Computer equipment	5 years
Furniture and fixtures	7 years
Leasehold improvements	Shorter of the lease term or estimated useful life

The Company periodically reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying value of the assets may not be recoverable. No impairment losses were recognized for the periods presented.

Goodwill and Intangible Assets

The Company' s intangible assets arose from the purchase transactions discussed above and consist of goodwill, in-force insureds, the Company' s brand, the carrier network, and distributor relationships. Finite-lived intangible assets are amortized over their useful lives from eight months to seven years.

Goodwill and other intangible assets determined to have indefinite useful lives are not amortized, but are tested for impairment, at least annually or more frequently if indicators of impairment arise. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. The Company performs its annual review for goodwill impairment as of October 1 of each year.

The evaluation is performed by comparing the carrying amount of these assets to their estimated fair value. If the estimated fair value is less than the carrying amount of the intangible assets, an impairment charge is

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies (continued)

recorded to reduce the asset to its estimated fair value. The Company' s valuation methodologies include, but are not limited to, a discounted cash flow model, which estimates the net present value of the Company' s projected cash flows, and a market approach, which evaluates comparative market multiples applied to the Company' s business to yield a second assumed value.

In estimating fair value, the Company' s methodology requires the Company to make assumptions, the most material of which are sales projections attributable to products sold with these trade names and a weighted-average discount rate. These assumptions are subject to change based on changes in the markets in which these products are sold, which reflect the Company' s projections of future revenues. Factors affecting the weighted-average discount rate include assumed debt-to-equity ratios, risk-free interest rates, and equity returns of each of the market participants in the Company' s industry.

There have been no events that the Company believes would result in an impairment of goodwill and intangible assets as of September 30, 2012 (Successor) and December 31, 2011 (Successor).

Gateway Processor Deposit

The gateway processor deposit on the accompanying consolidated balance sheet as of December 31, 2011 (Successor) represents cash that was held by a gateway credit card/ACH processor as a compensating balance and to mitigate the risk of the gateway credit card/ACH processor in case of member chargebacks. No amounts were held by any processors as of September 30, 2012 (Successor).

Fair Value of Financial Instruments

The Company measures and reports financial assets and liabilities at fair value on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (referred to as an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value of the Company' s financial assets and liabilities is determined by using three levels of input, which are defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities

Level 2: Quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability

Level 3: Unobservable inputs for the asset or liability

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The Company utilizes the market approach to measure the fair value of their financial assets. The Company' s long-term debt and noncompete obligation are valued based on Level 2 inputs, and primarily valued using quoted market prices for similar instruments and nonbinding market prices that are corroborated by observable market data. The inputs and fair value are reviewed for reasonableness and may be further validated by comparison to publicly available information or compared to multiple independent valuation sources.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

1. Organization, Basis of Presentation, and Summary of Significant Accounting Policies (continued)

The carrying amounts of financial assets and liabilities reported in the accompanying consolidated balance sheet for cash, cash held on behalf of others, credit card transactions receivable, credit card transactions receivable for others, accounts receivable, notes receivable, advance commissions, carriers and vendors payable, commissions payable, notes payable and accounts payable and accrued expenses at September 30, 2012 (Successor) and December 31, 2011 (Successor), approximate fair value because of the short-term duration of these instruments. See Note 5 to the consolidated financial statements for further discussion of the Company' s borrowings outstanding under debt agreements.

The Company' s long-term debt and noncompete obligation measured at fair value were as follows:

		Fair Value Measurements at September 30, 2012 (Successor)		
	Carrying Value at September 30, 2012 (Successor)	Level 1	Level 2	Level 3
Long-term debt, including current portion	**$3,490,000**	$ –	**$3,521,000**	$ –
Noncompete obligation, including current portion	**843,000**	–	**843,000**	–
	$4,333,000	$ –	**$4,364,000**	$ –

		Fair Value Measurements at December 31, 2011 (Successor)		
	Carrying Value at December 31, 2011 (Successor)	Level 1	Level 2	Level 3
Long-term debt, including current portion	$4,063,000	$ –	$4,078,000	$ –

2. Business Acquisitions

Acquisition of Naylor ownership

On September 28, 2011, the Company purchased the member units owned by Naylor, which represented a 50% ownership interest in the company, for $5,330,000 plus financing costs of $135,000. The Company financed a portion of the purchase price by entering into a loan agreement with a bank for $4,250,000. The remaining purchase price was funded with the Company' s cash and a special contribution from Michael Kosloske, the current sole member of the Company.

The amount of the purchase price that exceeded the fair value of the net identified tangible and intangible assets acquired is recorded as goodwill. The purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

2. Business Acquisitions (continued)

The following table summarizes the allocation of the purchase price for the Company' s business acquisition as of September 28, 2011:

Cash	$3,127,000
Receivables	891,000
Deposits	406,000
Property and equipment, net	112,000
Carriers payable	(2,410,000)
Commissions payable	(1,210,000)
Accrued expenses and other liabilities	(452,000)
Intangible asset−in-force insureds	240,000
Intangible asset−brand	400,000
Intangible asset−carrier network	40,000
Intangible asset−distributor relationships	3,610,000
Goodwill	5,906,000
Total fair value	$10,660,000

Acquisition of Insurance Center for Excellence, LLC

On June 1, 2012, the Company and TSG Agency ("TSG") formed Insurance Center for Excellence, LLC doing business as Insurance Academy ("ICE"). ICE is a call center training facility for the Company' s distributors. In connection with the transaction, the Company received an 80% controlling interest in ICE and was required to contribute $200,000 in capital contributions and TSG received a 20% non-controlling interest in the business and was required to contribute $50,000 in capital contributions. As of September 30, 2012 (Successor), the required contributions by the controlling and non-controlling interests were met.

ICE entered into employment agreements with employees of The Amacore Group, Inc. ("Amacore") contemporaneously with the June 1, 2012 formation of ICE, and at the date of formation, former Amacore employees comprise the full staff of ICE. ICE additionally assumed a month-to-month lease for space that was occupied by Amacore immediately prior to the formation of ICE.

Concurrent with the formation of ICE, ICE additionally entered into a sublease agreement ("Lease Agreement") with Amacore for additional space effective June 1, 2012. Under the Lease Agreement, ICE assumed all rights, responsibilities, obligations, terms and conditions of the original lease, which expires on April 30, 2015. Amacore agreed to transfer to ICE a security deposit previously paid by Amacore of approximately $13,000; Amacore contributed $15,000 to ICE for the purchase of property and equipment; and Amacore contributed certain office and computer equipment, and rights to certain 800 numbers, to ICE that have minimal value. The Company is recognizing the consideration provided by Amacore as a lease incentive that is being amortized over the term of the lease on a straight-line basis.

Additionally, concurrent with the June 1, 2012 formation of ICE, ICE entered into an Agent Producer Agreement and an Assignment of Commissions Agreement with Amacore ("collectively referred to as Agent Agreement"). Under the Agent Agreement, ICE assigned its commissions with respect to Assurant dental sales to Amacore in return for production incentives, training, marketing materials, commission payments and reporting, advances on commissions, ongoing sales support and 65% commission rate on sales.

The transaction with Amacore as described above is a business combination, and no assets or liabilities, including intangible assets or goodwill, were recognized other than those described above.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

3. Property and Equipment

Property and equipment, net, are comprised of the following:

	September 30, 2012 (Successor)	December 31, 2011 (Successor)
Computer equipment	**$96,000**	$36,000
Furniture and fixtures	**74,000**	51,000
Leasehold improvements	**75,000**	49,000
Total property and equipment	**245,000**	136,000
Less accumulated depreciation	**(38,000)**	(11,000)
Total property and equipment, net	**$207,000**	$125,000

Depreciation expense, including depreciation related to assets acquired through capital leases, was approximately $36,000, $11,000, $29,000, and $7,000, respectively, for the Successor period ended September 30, 2012, the Successor period ended December 31, 2011, the Predecessor period ended September 30, 2011, and the Predecessor year ended December 31, 2010.

4. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill are as follows:

Balance as of January 1, 2011 (Predecessor)	$–
Goodwill acquired during the period	–
Impairment of goodwill	–
Balance as of September 30, 2011 (Predecessor)	–
Goodwill acquired during the period	5,906,000
Impairment of goodwill	–
Balance as of December 31, 2011 (Successor)	5,906,000
Goodwill acquired during the period	–
Impairment of goodwill	–
Balance as of September 30, 2012 (Successor)	$5,906,000

Major classes of amortizable intangible assets at September 30, 2012 (Successor) consist of the following:

	Weighted-Average Amortization Period (In Years)	Gross Carrying Amount	Accumulated Amortization	Intangible Asset, net
Distributor relationships	7	$3,610,000	$516,000	$3,094,000
Carrier network	5	40,000	8,000	32,000
Brand	2	400,000	200,000	200,000

Capitalized software	5	45,000	2,000	43,000
Noncompete agreement	5	843,000	28,000	815,000
Total intangible assets		$4,938,000	$754,000	$4,184,000

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

4. Goodwill and Intangible Assets (continued)

Major classes of amortizable intangible assets at December 31, 2011 (Successor) consist of the following:

	Weighted-Average Amortization Period (In Years)	Gross Carrying Amount	Accumulated Amortization	Intangible Asset, net
Distributor relationships	7	$3,610,000	$ 127,000	$3,483,000
Carrier network	5	40,000	2,000	38,000
Brand	2	400,000	50,000	350,000
In-force insureds	0.8	240,000	80,000	160,000
Total intangible assets		$4,290,000	$ 259,000	$4,031,000

Amortization expense for the nine months ended September 30, 2012 (Successor) and three months ended December 31, 2011 (Successor) was approximately $735,000 and $259,000, respectively. There was no amortization expense for the nine months ended September 30, 2011 (Predecessor) and year ended December 31, 2010 (Predecessor).

Amortization expense expected to be recognized subsequent to September 30, 2012 (Successor) is as follows:

Remainder of 2012	$225,000
2013	851,000
2014	701,000
2015	701,000
2016	699,000
Thereafter	1,007,000
Total	$4,184,000

5. Debt

During September 2011, the Company entered into a bank loan agreement with a principal balance of $4,250,000. The purpose of this credit loan was to finance a portion of the acquisition of the remaining 50% interest in the Company as discussed in Note 2. Borrowings under the facility are secured by all of the Company' s assets, including, but not limited to, cash accounts, accounts receivable, and property and equipment. The loan is further secured with a personal unlimited guarantee by Kosloske and certain real properties owned by Kosloske in Tampa, Florida and Keystone, Colorado. The loan is a self-amortizing five-year loan bearing fixed interest at 5.25% with equal monthly payments of approximately $81,000, which consists of principal and interest. As of September 30, 2012 (Successor) and December 31, 2011 (Successor), balances of approximately $3,490,000 and $4,063,000, respectively, were outstanding, including current portions of approximately $802,000 and $769,000, respectively.

The loan is subject to customary covenants and restrictions which, among other things, limit the Company' s ability to incur additional indebtedness. In addition, the loan agreement also includes certain nonfinancial covenants that would require immediate payment if the Company, among other things, reorganizes, merges, consolidates, or otherwise changes ownership or business structure without the bank' s prior written consent.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

5. Debt (continued)

The loan agreement also contains customary representations and warranties and events of default. The payment of outstanding principal under the loan and accrued interest thereon may be accelerated and become immediately due and payable upon default of payment or failure to meet certain other performance obligations or failure to comply with other covenants in the loan agreement, subject to applicable notice requirements and cure periods as provided in the loan agreement.

On August 11, 2012, the Company and Health Plan Intermediaries Holdings, LLC ("HPIH") entered into an Assumption and Reaffirmation of Loan Documents and Consent to Assignment ("Assignment") with the lender to conditionally transfer the loan from the Company to HPIH. The Assignment required two post-closing conditions to be met. The first condition was met on September 18, 2012. The second condition was met on November 7, 2012.

At September 30, 2012 (Successor) and December 31, 2011 (Successor), the Company was in compliance with all applicable covenants.

Future principal payments on the loan subsequent to September 30, 2012 (Successor) are as follows:

Remainder of 2012	$196,000
2013	813,000
2014	857,000
2015	904,000
2016	720,000
Total minimum payments	$3,490,000

6. Deferred Financing Costs

Deferred financing costs consist primarily of consulting and legal fees directly related to the bank loan. These amounts are amortized over the life of the related debt using the effective interest rate method. Deferred financing costs reported on the consolidated balance sheets were approximately $88,000 and $122,000 as of September 30, 2012 (Successor) and December 31, 2011 (Successor), respectively. Amortization of the loan costs was approximately $34,000 for the nine months ended September 30, 2012 (Successor) and $13,000 for the Successor period ending December 31, 2011 (Successor). There was no amortization for the nine months ended September 30, 2011 (Predecessor) and year ended December 31, 2010 (Predecessor).

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following at:

	September 30, 2012 (Successor)	December 31, 2011 (Successor)
Accounts payable	**$674,000**	$75,000
Accrued professional fees	**377,000**	–
Accrued refunds	**242,000**	87,000
Deferred salaries	**30,000**	10,000
Accrued wages	**167,000**	49,000
Accrued credit card/ACH fees	**50,000**	31,000
Due to Naylor as a result of acquisition	–	80,000
Other accrueds	–	10,000
Total accounts payable and accrued expenses	**$1,540,000**	$342,000

8. Segments

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance of the Company. The Company' s chief operating decision-maker is considered to be the chief executive officer (CEO). The CEO reviews the Company' s financial information in a manner substantially similar to the accompanying consolidated financial statements. In addition, the Company' s operations, revenues, and decision-making functions are based solely in the United States. Therefore, management has concluded that the Company operates in one operating and geographic segment.

9. Related-Party Transactions

On August 22, 2012, the Company entered into a promissory note with Ivan Spinner who controls TSG, the 20% owner of Insurance Center for Excellence, LLC, in the amount of $100,000 for the purpose of funding advanced commissions. The note is non-interest bearing and requires equal monthly payments of $25,000 beginning September 20, 2012 and ending December 20, 2012. No payments on this note were made as of September 30, 2012 (Successor). Payments totaling $50,000 were made subsequent to September 30, 2012. Subsequently, this loan was modified on October 18, 2012 whereby the November and December payments were deferred to January 2, 2013 and February 1, 2013, respectively.

Under an employment agreement, Kosloske received compensation from prescription contracts plus commissions based on annual revenues. This compensation was treated as guaranteed payments during the Predecessor periods. The agreement was terminated in conjunction with the acquisition discussed in Note 2. The guaranteed payment expense totaled approximately $615,000 and $485,000 for the Predecessor period ended September 30, 2011, and the Predecessor year ending December 31, 2010, respectively, and was recorded as general and administrative expenses in the consolidated statements of operations.

The Company had an outstanding payable to Kosloske of approximately $126,000 as of December 31, 2011 (Successor) for unreimbursed expenses paid by Kosloske on behalf of the Company and is included within due to member in the consolidated balance sheet at December 31, 2011 (Successor). At September 30, 2012 (Successor), there was no amount due to member.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

9. Related-Party Transactions (continued)

From January 1, 2010 to October 31, 2010, the Company leased office space from Kosloske. Lease payments during this period were approximately $35,000 and were recorded as general and administrative expenses in the consolidated statement of operations for the Predecessor year ended December 31, 2010.

The Company incurred management fees for accounting and administrative services performed by Naylor, in the amount of $93,000 and $50,000, which are included in general and administrative expenses on the consolidated statements of operations for the Predecessor period ended September 30, 2011 and Predecessor year ended December 31, 2010, respectively.

10. Commitments and Contingencies

Call and Put Option for ICE

In accordance with the ICE operating agreement, the Company has the right of first refusal to purchase any membership units that another member may desire to transfer. Written notice shall be provided to the Company and contain a full description of the proposed transfer including the type of transfer, the units of the proposed transfer, purchase price and payment method of proposed transfer, and the true identity of the parties involved in the proposed transfer. If the Company desires to purchase all or a portion of the units proposed to be transferred, it must give a binding written notice of the exercise of its option along with the specific number of units it intends to purchase. The Company shall have 60 days after it provides notice to close the purchase.

In the event of Ivan Spinner' s death or disability or a change of control of TSG ("Termination Event"), the Company additionally has the option to repurchase all the membership units of TSG or its affiliates. At any time a TSG Affiliate (i.e., TSG, Ivan Spinner and any permitted transferee of TSG or Ivan Spinner, collectively referred to as "TSG Affiliates") may elect to sell to the Company all of the units owned by the TSG Affiliates by delivering a single written notice to the Company. The Company then has a period of 10 days following receipt of such notice by delivering a written notice to TSG to either (1) elect to purchase all of the TSG Affiliate units or (2) elect to sell to TSG all of the units owned by the Company and its permitted transferees. In the event the Company does not deliver the aforementioned notice, then the Company shall be deemed to have agreed to purchase all of the TSG Affiliate units. Transfers with respect to a Termination Event or TSG Affiliate are based upon fair market value as determined by a nationally recognized independent appraiser.

BimSym Agreements

On August 1, 2012, the Company entered into a software assignment agreement ("Agreement") with BimSym eBusiness Solutions, Inc. ("BimSym") for the Company' s exclusive ownership of all rights, title and interest in the technology platform ("ARIES System") developed by BimSym and utilized by the Company. As a result of the executed Agreement, the Company owes BimSym a cash payment of $45,000, which is recorded as an accounts payable and accrued expense on the accompanying consolidated balance sheet as of September 30, 2012. The consideration of $45,000 was capitalized and recorded as an intangible asset. In connection with this agreement, the Company simultaneously entered into a master services agreement for the technology, under which the Company is required to make monthly payments of $26,000 for 5 years. After the five-year term, this agreement automatically renews for one-year terms unless 60 days' notice is given by the Company.

Additionally, the Company also entered into an exclusivity agreement with BimSym whereby neither BimSym nor any of its affiliates will create, market or sell a software, system or service with the same or similar

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

10. Commitments and Contingencies (continued)

functionality as that of ARIES System under which the Company is required to make monthly payments of $16,000 for 5 years. The present value of these payments has been capitalized and recorded as an intangible asset with a corresponding liability, on the accompanying consolidated balance sheet as of September 30, 2012.

Legal Proceedings

As of September 30, 2012 (Successor) and December 31, 2011 (Successor), the Company had no significant outstanding legal proceedings. The Company is subject to certain legal proceedings and claims that may arise in the ordinary course of business. In the opinion of management, the Company does not have a potential liability related to any current legal proceedings and claims that would individually, or in the aggregate, have a material adverse effect on the Company' s financial condition, liquidity, results of operations, or cash flows.

11. Concentrations of Credit Risk and Significant Customers

Financial instruments that are potentially subject to concentrations of credit risk consist primarily of cash, credit card transactions receivable, accounts receivable, and advance commissions.

Cash is maintained in noninterest-bearing accounts at depository institutions and amounts held at these institutions were fully insured by the Federal Deposit Insurance Corporation as of September 30, 2012 (Successor) and December 31, 2011 (Successor).

The Company generally does not require collateral for credit card transactions receivable or accounts receivable. However, advance commissions are collateralized by renewal commissions. The Company has not experienced any credit losses related to these receivables and advances.

Advanced commissions were approximately $300,000 and $24,000 as of September 30, 2012 (Successor) and December 31, 2011 (Successor), respectively. As of September 30, 2012 (Successor) and December 31, 2011 (Successor) a single agency made up 44% and 93% of the advance commissions balance.

Accounts receivable were approximately $315,000 and $254,000 as of September 30, 2012 (Successor) and December 31, 2011 (Successor), respectively. As of September 30, 2012 (Successor) and December 31, 2011 (Successor), a single distributor made up 72% of the accounts receivable balance for each period.

Revenues consist of commissions earned for health insurance policies and discount benefit plans issued to members, enrollment fees paid by members, and monthly administration fees paid by members as a direct result of enrollment services provided by the Company. None of the Company' s members individually accounted for 10% or more of the Company' s revenue for the nine-month period ended September 30, 2012 (Successor), three-month period ended December 31, 2011 (Successor), nine-month period ended September 30, 2011 (Predecessor), or year ended December 31, 2010 (Predecessor).

During the nine-month period ended September 30, 2012, three carriers represented 50%, 25% and 19% of premium equivalents, respectively.

12. Capital Lease Obligations

The Company has entered into capital lease obligations to finance certain equipment. The leases have terms expiring beginning in 2015. As of September 30, 2012 (Successor), future cash payment commitments related to these leases are as follows:

Remainder of 2012	$1,000
2013	3,000
2014	3,000
2015	1,000
Total minimum lease payments	8,000
Less amounts representing interest	(1,000)
Total capital lease obligations	$7,000

13. Operating Leases

The Company leases office facilities under an operating lease, which expires in 2015. The operating lease agreement contains rent holidays and rent escalation provisions. Rent holidays and rent escalation provisions are considered in determining straight-line rent expense to be recorded over the lease term. The difference between cash rent payments and straight-line rent expense is recorded as deferred rent on the balance sheet and was approximately $61,000 as of September 30, 2012 (Successor) and $16,000 as of December 31, 2011 (Successor).

Total rent expense under all operating leases, which includes equipment for the Successor period ended September 30, 2012, was approximately $132,000, $28,000, $78,000 and $71,000, for the Successor periods ended September 30, 2012 and December 31, 2011, the Predecessor period ended September 30, 2011, and the Predecessor year ended December 31, 2010, respectively, and is included in general and administrative expenses in the accompanying consolidated statements of operations.

As of September 30, 2012 (Successor), the future minimum lease payments under noncancellable operating leases were as follows:

Remainder of 2012	$56,000
2013	218,000
2014	222,000
2015	102,000
Total minimum lease payments	$598,000

14. Income Tax

The Company was treated as a partnership for tax purposes prior to the change in ownership on September 28, 2011. Subsequently, the Company became a single-member LLC treated as a disregarded entity not separate from its owner for income tax purposes. Income tax for the Company for both its time as a partnership and then as a single-member LLC, is the responsibility of its member. As a result, no provision for income taxes is reflected in the accompanying consolidated financial statements. Net income for financial statement purposes may differ significantly from taxable income attributable to members as a result of differences between the tax basis and the financial reporting basis of assets and liabilities.

Health Plan Intermediaries, LLC
d/b/a Health Insurance Innovations

Notes to Consolidated Financial Statements (continued)

15. Pro Forma Disclosure (Unaudited)

The Company has elected to be taxed as an S-Corporation under the provisions of the Internal Revenue Code. The following unaudited pro forma information reflects the reconciliation between the total statutory provision for income taxes and the total actual provision relating to the income tax expense that would have been incurred if the S-Corporation were subject to U.S. federal and state income taxes. The Company would account for income taxes under the provisions of ASC 740, Accounting for Income Taxes, which requires recognition of deferred tax assets and liabilities for the expected future consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates for the year in which the differences are expected to reverse.

	Nine–Month Period Ended September 30, 2012 (Successor)	Three–Month Period Ended December 31, 2011 (Successor)	Nine–Month Period Ended September 30, 2011 (Predecessor)	Year Ended December 31, 2010 (Predecessor)
Pro forma statutory tax provision	**$ 875,000**	$ 180,000	$ 626,000	$ (2,000)
State income taxes, net	**62,000**	12,000	43,000	(1,000)
Nondeductible expenses	**27,000**	9,000	26,000	4,000
Pro forma total provision for income taxes	**$ 964,000**	$ 201,000	$ 695,000	$ 1,000

16. Subsequent Events

The sole member of the Company has authorized the filing of a registration statement with the Securities and Exchange Commission for an initial public offering of Class A common stock of Health Insurance Innovations, Inc. Upon completion of the offering, Health Insurance Innovations, Inc. will be a holding company the principal asset of which will be its interest in the Company. Health Insurance Innovations, Inc. will be the sole managing member of the Company.

On October 31, 2012, in connection with the offering Health Plan Intermediaries Sub, LLC, a subsidiary of Health Plan Intermediaries, LLC, was formed.

On November 7, 2012, the Company' s assets and liabilities were transferred to another entity via a series of assignments, to facilitate the conversion of the Company to an S-Corporation.

On December 10, 2012, the Company signed a Commitment Letter with SunTrust Bank to supplement the existing bank loan agreement with SunTrust Bank with a new $2,000,000 revolving credit facility. If the Company enters into and draws on the revolving credit facility, the proceeds will be used to finance costs associated with this offering and to fund advance commission payments to distributors. The new revolving credit facility will have a total commitment for loans up to $2,000,000. The maturity of the new revolving credit facility will be 364 days from the date of closing and the loans will bear interest at a rate of LIBOR plus 3.50%. Borrowings under the revolving credit facility will be collateralized by substantially all of the assets of the Company (as well as the pledge of equity interests in Health Plan Intermediaries, LLC owned by Kosloske and a further assignment of a $4,500,000 life insurance policy on Kosloske), and SunTrust Bank will have a second lien position behind SunTrust Bank' s existing first lien on substantially all of the assets of the Company pursuant to the existing bank loan agreement. The new revolving credit facility will have customary affirmative and negative covenants including, without limitation, a Minimum Net Worth Covenant and limitations on

dividends during any event of default. The commitment is conditional upon, among other things, no material adverse change in the Company' s business and final negotiation of the credit agreement. The Commitment Letter expires on January 31, 2013.

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

	Amount To Be Paid
Registration fee	$
FINRA filing fee	
Listing fee	
Transfer agent' s fees	
Printing and engraving expenses	
Legal fees and expenses	
Accounting fees and expenses	
Blue Sky fees and expenses	
Miscellaneous	
Total	$

Each of the amounts set forth above, other than the registration fee and the FINRA filing fee, is an estimate.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The registrant' s amended and restated certificate of incorporation will provide for indemnification by the registrant of its directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director' s duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or (4) for any transaction from which the director derived an improper personal benefit. The registrant' s amended and restated certificate of incorporation will provide for such limitation of liability.

The registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the registrant with respect to payments which may be made by the registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement filed as Exhibit 1 to this registration statement provides for indemnification of directors and officers of the registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

On October 26, 2012, the registrant issued 100 shares of the registrant' s common stock, par value $0.01 per share, to Michael W. Kosloske for $1.00. The issuance of such shares of common stock was not registered under the Securities Act because the shares were offered and sold in a transaction exempt from registration under Section 4(a)(2) of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules

(a) The following exhibits are filed as part of this registration statement:

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
3.1**	Certificate of Incorporation of Health Insurance Innovations, Inc., as currently in effect
3.2**	Bylaws of Health Insurance Innovations, Inc., as currently in effect
3.3	Form of Amended and Restated Certificate of Incorporation of Health Insurance Innovations, Inc.
3.4	Form of Amended and Restated Bylaws of Health Insurance Innovations, Inc.
4.1*	Form of Class A common stock Certificate
4.2	Form of Registration Rights Agreement
5.1*	Opinion of Davis Polk & Wardwell LLP
10.1	Form of Third Amended and Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC
10.2**	Contribution Agreement between Health Plan Intermediaries Holdings, LLC and Health Plan Intermediaries, LLC
10.3**	Unit Purchase Agreement among Michael W. Kosloske, Naylor Group Partners, LLC, Mathew S. Naylor and Russell R. Naylor and Health Plan Intermediaries, LLC
10.4**	Amendment to United Purchase Agreement among Michael W. Kosloske, Naylor Group Partners, LLC, Mathew S. Naylor and Russell R. Naylor and Health Plan Intermediaries, LLC
10.5	Form of Tax Receivable Agreement
10.6	Form of Exchange Agreement
10.7**	Loan Agreement between Health Plan Intermediaries, LLC and SunTrust Bank
10.8**	Master Service Agreement between Health Plan Intermediaries, LLC and BimSym eBusiness Solutions, Inc.
10.9**	Software Assignment Agreement between Health Plan Intermediaries, LLC and BimSym eBusiness Solutions, Inc.
10.10**†	General Manager' s Agreement between Health Plan Intermediaries, LLC and Companion Life Insurance Company
10.11**†	Agency Agreement between Health Plan Intermediaries, LLC and Starr Indemnity & Liability Company
10.12**	Administrative Services Agreement among Health Insurance Innovations, LLC, United States Fire Insurance Company and The North River Insurance Company
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10.14**#	Form of Employment Agreement between Michael W. Kosloske and Health Insurance Innovations, Inc.
10.15#	Form of Employment Agreement between Michael D. Hershberger and Health Insurance Innovations, Inc.
10.16**#	Employment and Non-Compete Agreement between Gary Raeckers and Health Plan Intermediaries, LLC
10.17**#	Employment and Non-Compete Agreement between Scott Lingle and Health Plan Intermediaries, LLC
10.18**#	Form of Employment Agreement between Lori Kosloske and Health Insurance Innovations, Inc.
10.19**#	Employment and Non-Compete Agreement between Bryan Krul and Health Plan Intermediaries, LLC

10.20**#	Form of Health Insurance Innovations, Inc. Long Term Incentive Plan
10.21#	Form of Restricted Stock Award Agreement pursuant to the Health Insurance Innovations, Inc. Long Term Incentive Plan between Health Insurance Innovations, Inc. and Michael D. Hershberger
10.22**	Office Lease Agreement between Health Plan Intermediaries, LLC and Magdalene Center of Tampa, LLC
10.23*	Revolving Credit Agreement between Health Plan Intermediaries Holdings, LLC and SunTrust Bank
16.1**	Letter from former accountants addressed to the Securities and Exchange Commission
21.1**	List of subsidiaries
23.1	Consent of Ernst & Young LLP, independent registered public accounting firm
23.2*	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.1)
24.1**	Power of Attorney (included on signature page)
99.1**	[Intentionally omitted]

Exhibit Number	Description
99.2**	Consent of Liana O' Drobinak, as director nominee
99.3**	Consent of Gordon Tunstall, as director nominee
99.4**	Consent of Paul E. Avery, as director nominee
99.5**	Consent of Gary Raeckers, as director nominee

* To be filed by amendment.
** Previously filed
# Management contract or compensatory arrangement
† Confidential treatment requested.

(b) The following financial statement schedule is filed as part of this registration statement:

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(a) The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tampa, State of Florida, on the 11th day of January, 2013.

Health Insurance Innovations, Inc.

By: /s/ Michael W. Kosloske

Name: Michael W. Kosloske

Title: Chairman, President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Michael W. Kosloske, Michael D. Hershberger, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Michael W. Kosloske Michael W. Kosloske	Chairman, President and Chief Executive Officer (principal executive officer)	January 11, 2013
/s/ Michael D. Hershberger Michael D. Hershberger	Chief Financial Officer (principal financial officer)	January 11, 2013
/s/ Joan Rodgers Joan Rodgers	Chief Accounting Officer (principal accounting officer)	January 11, 2013

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99.5**	Consent of Gary Raeckers, as director nominee

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* To be filed by amendment.
** Previously filed
# Management contract or compensatory arrangement
† Confidential treatment requested.

Exhibit 3.3

FORM OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

HEALTH INSURANCE INNOVATIONS, INC.

Pursuant to the provisions of § 242 and § 245 of the
General Corporation Law of the State of Delaware

The present name of the corporation is Health Insurance Innovations, Inc. (the "**Corporation**"). The Corporation was incorporated under the name "Health Insurance Innovations, Inc." by the filing of its original certificate of incorporation (the "**Original Certificate of Incorporation**") with the Secretary of State of the State of Delaware on October 26, 2012. This Amended and Restated Certificate of Incorporation of the Corporation, which both restates and further amends the provisions of the Original Certificate of Incorporation, was duly adopted in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware. This Amended and Restated Certificate of Incorporation shall become effective as of , 2013. The Original Certificate of Incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE 1

Section 1.01. *Name.* The name of the Corporation is Health Insurance Innovations, Inc.

ARTICLE 2

Section 2.01. *Address.* The address of its registered office in the State of Delaware is 12711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808. The name of its registered agent at such address is Corporation Service Company.

ARTICLE 3

Section 3.01. *Purpose.* The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended ("**Delaware Law**").

ARTICLE 4

Section 4.01. *Capitalization.* The total number of shares of stock which the Corporation shall have authority to issue is [ ], consisting of (a) [ ] shares of Class A Common Stock, par value $0.001 per share (the "**Class A Common Stock**"), (b) [ ] shares of Class B Common Stock, par value $0.001 per share (the "**Class B Common Stock**" and, together with the Class A Common Stock, the "**Common Stock**") and (c) [ ] shares of Preferred Stock, par value $0.001 per share (the "**Preferred Stock**"). Holders of capital stock do not have preemptive rights.

Section 4.02. *Reclassifications.* At the time that this Amended and Restated Certificate of Incorporation becomes effective under Delaware Law (the "Effective Time") each share of common stock, par value $0.01 per share, of the Corporation, which was designated as Common Stock in the Original Certificate of Incorporation and was authorized, issued and outstanding or held as treasury stock immediately prior to the Effective Time shall, automatically and without further action by any stockholder, be reclassified into [ ] shares of Class B Common Stock.

Section 4.03. *Common Stock.*

(a) Voting Rights.

(i) Each holder of Class A Common Stock, as such, shall be entitled to one vote for each share of Class A Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; *provided, however,* that, except as otherwise required by law, holders of Class A Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) or pursuant to Delaware Law.

(ii) Each holder of Class B Common Stock, as such, shall be entitled to one vote for each share of Class B Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; *provided*, *however*, that except as otherwise required by law, holders of Class B Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series

are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) or pursuant to Delaware Law. A holder of one share of Class B Common Stock, as such, shall be entitled at all times to the same number of vote or votes as a holder of one share of Class A Common Stock, as such, on all matters on which stockholders generally are entitled to vote.

(iii) Except as otherwise required in this Amended and Restated Certificate of Incorporation or by applicable law, the holders of Common Stock shall vote together as a single class on all matters (or, if any holders of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with such holders of Preferred Stock).

(b) Dividends. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Class A Common Stock with respect to the payment of dividends, dividends may be declared and paid on the Class A Common Stock out of the assets of the Corporation that are by law available therefor at such times and in such amounts as the Board of Directors of the Corporation (the "**Board**") in its discretion shall determine. Dividends shall not be declared or paid on the Class B Common Stock.

(c) Liquidation, Dissolution or Winding Up. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential and other amounts, if any, to which the holders of Preferred Stock shall be entitled, the holders of all outstanding shares of Class A Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares held by each such stockholder. The holders of shares of Class B Common Stock, as such, shall not be entitled to receive any assets of the Corporation in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

(d) Transfer of Class B Common Stock.

(i) A holder of Class B Common Stock may only transfer shares of Class B Common Stock to another person if such holder transfers a corresponding number of Series B Membership Interests to such person in accordance with the provisions of the Third Amended & Restated Limited Liability Company Agreement of Health Plan Intermediaries Holdings, LLC, a Delaware limited liability company (the "**Company**"), as such agreement may be amended from time to time in accordance with the terms thereof.

(ii) Any purported transfer of shares of Class B Common Stock in violation of the restrictions described in the immediately preceding paragraph (the "**Restrictions**") shall be null and void. If, notwithstanding the foregoing prohibition, a person shall, voluntarily or involuntarily, purportedly become or attempt to become, the purported owner ("**Purported Owner**") of shares of Class B Common Stock in violation of the Restrictions, then the Purported Owner shall not obtain any rights in and to such shares of Class B Common Stock (the "**Restricted Shares**"), and the purported transfer of the Restricted Shares to the Purported Owner shall not be recognized by the Corporation' s transfer agent (the "**Transfer Agent**").

(iii) Upon a determination by the Board that a person has attempted or may attempt to transfer or to acquire Restricted Shares, the Board may take such action as it deems advisable to refuse to give effect to such transfer or acquisition on the books and records of the Corporation, including without limitation to cause the Transfer Agent to record the Purported Owner' s transferor as the record owner of the Restricted Shares, and to institute proceedings to enjoin or rescind any such transfer or acquisition.

(iv) The Board may, to the extent permitted by law, from time to time establish, modify, amend or rescind, by bylaw or otherwise, regulations and procedures not inconsistent with the provisions of this Section 4.03(d) for determining whether any acquisition of shares of Class B Common Stock would violate the Restrictions and for the orderly application, administration and implementation of the provisions of this Section 4.03(d). Any such procedures and regulations shall be kept on file with the Secretary of the Corporation and with its Transfer Agent and shall be made available for inspection by any prospective transferee and, upon written request, shall be mailed to any holder of shares of Class B Common Stock.

(v) The Board shall have all powers necessary to implement the Restrictions, including without limitation the power to prohibit the transfer of any shares of Class B Common Stock in violation thereof.

(vi) Upon the transfer of any shares of Class B Common Stock to HII by HPI, HPIS, or their successors and assigns, such shares of Class B Common Stock shall immediately be cancelled on the books and records of HII and shall no longer be deemed to be issued and outstanding capital stock of HII.

(vii) As used in this Amended and Restated Certificate of Incorporation, (i) "**Series B Membership Interests**" shall mean Series B Membership Interests of the Company, or any successor entity thereto, issued under its Third Amended & Restated Limited Liability Company Agreement, as the same may be amended or amended and restated from

time to time in accordance with the terms thereof and (ii) "**person**" means any individual, firm, corporation, partnership, limited liability company, trust, joint venture or other enterprise or entity.

(e) In the event of a reclassification or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then a holder of shares of Class B Common Stock shall be entitled to receive upon exchange of such shares (together with a commensurate number of Series B Membership Interests) the amount of such security that such holder would have received if such exchange had occurred immediately prior to the record date of such reclassification or other similar transaction, taking into account any adjustment as a result of any subdivision (by any stock split or dividend, reclassification or otherwise) or combination (by reverse stock split, reclassification or otherwise) of such security that occurs after the effective time of such reclassification or other similar transaction.

(f) The Corporation covenants that it will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of issuance upon exchange of the outstanding shares of Class B Common Stock and Series B Membership Interests for Class A Common Stock, such number of shares of Class A Common Stock that are issuable upon any such exchange and shall exchange such shares of Class B Common Stock and a commensurate number of Series B Membership Interests for shares of Class A Common Stock pursuant to the exchange agreement among the Corporation, the Company and the holders from time to time of Series B Membership Interests governing such exchanges; *provided* that nothing contained herein shall be construed to preclude the Corporation from satisfying its obligations in respect of any such exchange by delivery of shares of Class A Common Stock which are held in the treasury of the Corporation. The Corporation covenants that all shares of Class A Common Stock issued upon any such exchange will, upon issuance, be validly issued, fully paid and non-assessable.

Section 4.04. *Preferred Stock.* (a) The Board is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more classes or series of Preferred Stock and to fix the designations, powers, preferences and relative, participating, optional or other rights, if any, and the qualifications, limitations or restrictions thereof, if any, with respect to each such class or series of Preferred Stock and the number of shares constituting each such class or series, and to increase or decrease the number of authorized shares of any such class or series to the extent permitted by Delaware Law.

(b) Except as otherwise required by law, holders of a series of Preferred Stock, as such, shall be entitled only to such voting rights, if any, as shall expressly be granted thereto by this Amended and Restated Certificate of Incorporation (including any certificate of designations relating to such series).

Section 4.05. *Changes in Common Stock*. If the Corporation in any manner subdivides or combines the outstanding shares of Class A Common Stock, the outstanding shares of the Class B Common Stock shall be proportionately subdivided or combined, as the case may be. If the Corporation in any manner subdivides or combines the outstanding shares of Class B Common Stock, the outstanding shares of Class A Common Stock shall be proportionately subdivided or combined, as the case may be.

Section 4.06. *Reorganization or Merger*. (a) In the case of any reorganization, share exchange, consolidation, conversion or merger of the Corporation with or into another person in which shares of Class A Common Stock and Class B Common Stock are converted into (or entitled to receive with respect thereto) shares of stock and/or other securities or property (including, without limitation, cash), each holder of a share of Class A Common Stock shall be entitled to receive with respect to each such share the same kind and amount of shares of stock and other securities and property (including, without limitation, cash), but each holder of a share of Class B Common Stock shall only be entitled to receive with respect to each such share the same number of shares of stock as is received by a holder of a share of Class A Common Stock, and shall not be entitled to receive other securities or property (including, without limitation, cash); and such shares of stock received by a holder of shares of Class B Common Stock shall afford the holder thereof no more rights, privileges or preferences than would be afforded the holders of Class B Common Stock hereunder, including without limitation rights, privileges or preferences with respect to dividends, upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation or in connection with any reorganization, share exchange, consolidation, conversion or merger of the Corporation with or into another person (each, a "**Business Combination Transaction**").

(b) In connection with any Business Combination Transaction, the Corporation shall not adversely affect, alter, repeal, change or otherwise impair any of the powers, preferences, rights or privileges of the Class A Common Stock (whether directly, by the filing of a certificate of designations, powers, preferences, rights or privileges, by a Business Combination Transaction or otherwise) (i) in a manner that is disproportionate and adverse compared to the manner in which the powers, preferences, rights or privileges of the holders of the Class B Common Stock are affected, altered, repealed, changed or otherwise impaired, including, without limitation (x) any of the voting rights of the holders of the Class A Common Stock in a manner that is disproportionate and adverse compared to the manner in which the voting rights of the holders of the Class B Common Stock are affected, altered, repealed, changed or otherwise impaired, and (y) the requisite vote or percentage required to approve or take any action described in this ARTICLE 4, in ARTICLE 11 or elsewhere in this Amended and Restated Certificate of Incorporation or described in the bylaws of the Corporation in a manner that is disproportionate and adverse compared to the manner in which the voting rights of the holders of the Class B Common Stock

are affected, altered, repealed, changed or otherwise impaired, or (ii) with respect to the economic rights, privileges or preferences of the holders of Class A Common Stock relative to the holders of Class B Common Stock, including, without limitation, with respect to dividends, upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation or in connection with a Business Combination Transaction, without, in each case (i) and (ii), the affirmative vote of the holders of a majority of the shares of Class A Common Stock, voting as a separate class.

(c) In connection with any Business Combination Transaction, the Corporation shall not adversely affect, alter, repeal, change or otherwise impair any of the powers, preferences, rights or privileges of the Class B Common Stock (whether directly, by the filing of a certificate of designations, powers, preferences, rights or privileges, by a Business Combination Transaction or otherwise) in a manner that is disproportionate and adverse compared to the manner in which the powers, preferences, rights or privileges of the holders of the Class A Common Stock are affected, altered, repealed, changed or otherwise impaired, including, without limitation (i) any of the voting rights of the holders of the Class B Common Stock in a manner that is disproportionate and adverse compared to the manner in which the voting rights of the holders of the Class A Common Stock are affected, altered, repealed, changed or otherwise impaired, and (ii) the requisite vote or percentage required to approve or take any action described in this ARTICLE 4, in ARTICLE 11 or elsewhere in this Amended and Restated Certificate of Incorporation or described in the bylaws of the Corporation in a manner that is disproportionate and adverse compared to the manner in which the voting rights of the holders of the Class A Common Stock are affected, altered, repealed, changed or otherwise impaired, without in each case the affirmative vote of the holders of a majority of the shares of Class B Common Stock, voting as a separate class.

ARTICLE 5

Section 5.01. *Bylaws.* In furtherance and not in limitation of the powers conferred by Delaware Law, the Board is expressly authorized to make, amend, alter, change, add to or repeal the bylaws of the Corporation without the assent or vote of the stockholders in any manner not inconsistent with Delaware Law or this Amended and Restated Certificate of Incorporation. The affirmative vote of the holders of at least 75% of the voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to make, amend, alter, change, add to or repeal any provision of the bylaws of the Corporation.

ARTICLE 6

Section 6.01. *Board of Directors.* (a) The business and affairs of the Corporation shall be managed by or under the direction of the Board.

(b) Each director shall hold office until such director' s successor shall have been duly elected and qualified or until such director' s earlier death, resignation or removal. In no event will a decrease in the number of directors shorten the term of any incumbent director.

(c) There shall be no cumulative voting in the election of directors. Election of directors need not be by written ballot unless the bylaws of the Corporation so provide.

(d) Vacancies on the Board resulting from death, resignation, removal or otherwise and newly created directorships resulting from any increase in the number of directors may be filled solely by a majority of the directors then in office (although less than a quorum) or by the sole remaining director, and each director so elected shall hold office until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

(e) Notwithstanding the foregoing, whenever the holders of one or more classes or series of Preferred Stock shall have the right, voting separately as a class or series, to elect directors, the election, term of office, filling of vacancies, removal and other features of such directorships shall be governed by the terms of the resolution or resolutions adopted by the Board pursuant to ARTICLE 4 applicable thereto, and such directors so elected shall not be subject to the provisions of this ARTICLE 6 unless otherwise provided therein.

ARTICLE 7

Section 7.01. *Meetings Of Stockholders.* Any action required or permitted to be taken at any annual or special meeting of stockholders may be taken only upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with Delaware Law, as amended from time to time, and may not be taken by written consent of stockholders without a meeting; *provided, however*, if the shares of capital stock of the Corporation beneficially owned by the Investor Group (as defined below) constitute more than 50% of the total voting power of all the then outstanding capital stock of the Corporation, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken by written consent of stockholders without a meeting; *provided, further*, that any action required or permitted to be taken by the holders of Class B Common Stock, voting separately as a class, or, to the extent expressly permitted by the certificate of designation relating to one or more series of Preferred Stock, by the holders of such series of Preferred Stock, voting separately as a series or separately as a class with one or more other such series,

may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares of the relevant class or series having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Special meetings of the stockholders may be called by the Board, the Chairman of the Board or the Chief Executive Officer of the Corporation and may not be called by any other person; *provided, however*, if the shares of capital stock of the Corporation beneficially owned by the Investor Group constitute more than 50% of the total voting power of all the then outstanding capital stock of the Corporation, special meetings of the stockholders may be called by the holders of a majority of the total voting power of all the then outstanding capital stock of the Corporation. Notwithstanding the foregoing, whenever holders of one or more classes or series of Preferred Stock shall have the right, voting separately as a class or series, to elect directors, such holders may call, pursuant to the terms of the resolution or resolutions adopted by the Board of Directors pursuant to ARTICLE 4 hereto, special meetings of holders of such Preferred Stock. As used in this Amended and Restated Certificate of Incorporation, (i) "**HPI**" means Health Plan Intermediaries, LLC, a Florida limited liability company, (ii) "**HPIS**" means Health Plan Intermediaries Sub, LLC, a Delaware limited liability company, (iii) "**Investor Group**" means, collectively, Michael W. Kosoloske, HPI, HPIS, any of their respective affiliates (other than the Corporation and its subsidiaries), and any Investor Nominee, and (iv) "**Investor Nominee**" means any officer, director, manager, partner, employee or other agent of HPI or HPIS who serves as a director of the Corporation.

ARTICLE 8

Section 8.01. *Limited Liability Of Directors.* No director of the Corporation will have any personal liability to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under Delaware Law as the same exists or hereafter may be amended. Neither the amendment nor the repeal of this ARTICLE 8 shall eliminate or reduce the effect thereof in respect of any matter occurring, or any cause of action, suit or claim that, but for this ARTICLE 8, would accrue or arise, prior to such amendment or repeal.

ARTICLE 9

Section 9.01. *Indemnification.* (a) Each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by Delaware Law. The right to indemnification conferred in this ARTICLE 9 shall also include the right to have the Corporation pay directly or cause to be paid directly the expenses incurred in connection with any such proceeding in advance of its final disposition to the fullest extent authorized by Delaware Law. The right to indemnification conferred in this ARTICLE 9 shall be a contract right.

(b) The Corporation may, by action of its Board, provide indemnification to such of the employees and agents of the Corporation to such extent and to such effect as the Board shall determine to be appropriate and authorized by Delaware Law.

(c) The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another person against any expense, liability or loss incurred by such person in any such capacity or arising out of such person' s status as such, whether or not the Corporation would have the power to indemnify such person against such liability under Delaware Law.

(d) The rights and authority conferred in this ARTICLE 9 shall not be exclusive of any other right which any person may otherwise have or hereafter acquire.

(e) Neither the amendment nor repeal of this ARTICLE 9, nor the adoption of any provision of this Amended and Restated Certificate of Incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall eliminate or reduce the effect of this ARTICLE 9 in respect of any acts or omissions occurring prior to such amendment, repeal, adoption or modification.

ARTICLE 10

Section 10.01. *Severability.* If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason

whatsoever: (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

ARTICLE 11

Section 11.01. *Amendment.* The Corporation reserves the right to amend (whether directly, by the filing of a certificate of designations, powers, preferences, rights or privileges, by a Business Combination Transaction or otherwise) this Amended and Restated Certificate of Incorporation in any manner permitted by Delaware Law, subject to Section 11.02, and all rights and powers conferred upon stockholders, directors and officers herein are granted subject to this reservation. Notwithstanding the foregoing, if the shares of the capital stock of the Corporation beneficially owned by the Investor Group constitute less than a majority of the total voting power of all capital stock of the Corporation then outstanding, the provisions set forth in ARTICLES 4, 5, 6, 7, 8, 9 and this ARTICLE 11 may not be repealed or amended (whether directly, by the filing of a certificate of designations, powers, preferences, rights or privileges, by a Business Combination Transaction or otherwise) in any respect, and no other provision may be adopted, amended (whether directly, by the filing of a certificate of designations, powers, preferences, rights or privileges, by a Business Combination Transaction or otherwise) or repealed which would have the effect of modifying or permitting the circumvention of the provisions set forth in ARTICLES 4, 5, 6, 7, 8 and 9 and this ARTICLE 11, unless such action is approved by the affirmative vote of the holders of not less than 75% of the total voting power of all outstanding securities of the Corporation then entitled to vote generally in the election of directors, voting together as a single class.

Section 11.02. *Increases and Decreases of Authorized Shares.* The number of authorized shares of Class A Common Stock or Class B Common Stock may be increased or decreased (but not below the number of shares of Class A Common Stock or Class B Common Stock then outstanding and reserved for) by the affirmative vote of the holders of a majority of the shares of Class A Common Stock and Class B Common Stock, voting together as a single class.

ARTICLE 12

Section 12.01. *Section 203*. The Corporation expressly elects not to be governed by Section 203 of Delaware Law for so long as the shares of the capital stock of the Corporation beneficially owned by the Investor Group constitute at least 25% of the total voting power of all capital stock of the Corporation.

ARTICLE 13

Section 13.01. *Forum Selection*. The sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation' s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be the Delaware Chancery Court or, if such court shall not have jurisdiction, any federal court located in the State of Delaware or other Delaware state court. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article 13.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Certificate of Incorporation as of this day of , 2013.

HEALTH INSURANCE
INNOVATIONS, INC.

By: _____
Name: Michael W. Kosloske
Title: Chief Executive Officer

Exhibit 3.4

FORM OF AMENDED AND RESTATED BYLAWS

OF

HEALTH INSURANCE INNOVATIONS, INC.

ARTICLE 1
OFFICES

Section 1.01. *Registered Office.* The registered office of the Corporation shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 1.02. *Other Offices.* The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

Section 1.03. *Books.* The books of the Corporation may be kept within or without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE 2
MEETINGS OF STOCKHOLDERS

Section 2.01. *Time and Place of Meetings.* All meetings of stockholders shall be held at such places, either within or without the State of Delaware, on such dates, and at such times, as may be determined from time to time by the Board of Directors (or the Chairman in the absence of a designation by the Board of Directors).

Section 2.02. *Annual Meetings.* An annual meeting of stockholders, commencing with the year [2014], shall be held for the election of directors and to transact such other business as may properly be brought before the meeting.

Section 2.03. *Special Meetings.* Subject to the rights of the holders of any class or series of preferred stock of the Corporation, and except as otherwise provided in Section 7.01 of the amended and restated certificate of incorporation of the Corporation (the "**Certificate of Incorporation**"), special meetings of the stockholders of the Corporation may be called only by or at the direction of the Board of Directors, the Chairman of the Board of Directors or the Chief Executive Officer of the Corporation.

Section 2.04. *Notice of Meetings and Adjourned Meetings; Waivers of Notice.* (a) Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended ("**Delaware Law**"), such notice shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder of record entitled to vote at such meeting. Unless these Bylaws otherwise require, when a meeting is adjourned to another time or place (whether or not a quorum is present), notice need not be given of the adjourned meeting if the time, place, if any, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(b) A written waiver of any such notice signed by the person entitled thereto, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the meeting stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 2.05. *Quorum.* Unless otherwise provided under the Certificate of Incorporation or these Bylaws and subject to Delaware Law, the presence, in person or by proxy, of the holders of a majority of the outstanding capital stock of the Corporation entitled to vote at a meeting of stockholders shall constitute a quorum for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the Chairman of the meeting or a majority of the voting interest of the stockholders present in person or represented by proxy shall adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

Section 2.06. *Voting.* (a) Unless otherwise provided in the Certificate of Incorporation and subject to Delaware Law, each stockholder shall be entitled to one vote for each outstanding share of capital stock of the Corporation held by such stockholder. Any share of capital stock of the Corporation held by the Corporation shall have no voting rights. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of the majority of the outstanding shares of capital stock of the Corporation present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Subject to the rights of the holders of any series of preferred stock to elect additional directors under specific circumstances, directors shall be elected by a plurality of the votes of the shares of capital stock of the Corporation present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

(b) Each stockholder entitled to vote at a meeting of stockholders or, to the extent permitted by the Certificate of Incorporation and these Bylaws, to express consent or dissent to a corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, appointed by an instrument in writing, subscribed by such stockholder or by his attorney thereunto authorized, or by proxy sent by facsimile transmission or by any other means of electronic communication permitted by law, which results in a writing from such stockholder or by his attorney, and delivered to the secretary of the meeting. No proxy shall be voted after one year from its date, unless said proxy provides for a longer period.

(c) Votes may be cast by any stockholder entitled to vote in person or by his proxy. In determining the number of votes cast for or against a proposal or nominee, shares abstaining from voting on a matter (including elections) will not be treated as a vote cast. A non-vote by a broker will be counted for purposes of determining a quorum but not for purposes of determining the number of votes cast.

Section 2.07. *Action by Consent.* Any action required or permitted to be taken at any annual or special meeting of stockholders may be taken only upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with Delaware Law and may not be taken by written consent of stockholders without a meeting; *provided*, *however*, if the shares of capital stock the Corporation held by the Investor Group (as defined in the Certificate of Incorporation) constitute more than 50% of the total voting power of all the then outstanding capital stock of the Corporation, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken by written consent of stockholders without a meeting; *provided*, *further*, that any action required or permitted to be taken by the holders of the Corporation' s Class B Common Stock, voting separately as a class, or, to the extent expressly permitted

by the certificate of designation relating to one or more series of the Corporation' s preferred stock, by the holders of such series of preferred stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares of the relevant class or series having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, which officer or agent may be the Secretary or an Assistant Secretary.

Section 2.08. *Organization.* At each meeting of stockholders, the Chairman of the Board of Directors, if one shall have been elected, or in the Chairman' s absence or if one shall not have been elected, the director designated by the vote of the majority of the directors present at such meeting, shall act as chairman of the meeting. The Secretary of the Corporation (or in the Secretary' s absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting) shall act as secretary of the meeting and keep the minutes thereof.

Section 2.09. *Order of Business.* The order of business at all meetings of stockholders shall be as determined by the chairman of the meeting.

Section 2.10. *Nomination of Directors.* Only persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible to serve as directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of stockholders (a) by or at the direction of the Board of Directors (or any committee thereof) or (b) by any stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this Section 2.10, who shall be entitled to vote for the election of directors at the meeting and who complies with the notice procedures set forth in this Section 2.10. Such nominations, other than those made by or at the direction of the Board of Directors (or any committee thereof), shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, (i) in connection with an annual meeting of stockholders, a stockholder' s notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than 120 days nor more than 180 days prior to the first anniversary of the preceding year' s annual meeting of stockholders; *provided, however*, that in the event that the date of the annual meeting is advanced more than 30 days prior to such anniversary date or delayed more than 60 days after such anniversary date, then to be timely such notice must be received by the Corporation no later than the close of business on

the later of the 120th day prior to the date of the meeting and the 10th day following the day on which public announcement of the date of the meeting was made, and (ii) in connection with a special meeting of stockholders, a stockholder' s notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than 40 days nor more than 60 days prior to the date of the special meeting; *provided, however*, that if less than 55 days' notice or prior public disclosure of the date of the special meeting of the stockholders is given or made to the stockholders, then to be timely such notice must be received by the Corporation no later than the close of business on the 10th day following the day on which a notice of the date of the special meeting was mailed to the stockholders or the public disclosure of the date of the meeting was made. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder' s notice as described above. Such stockholder' s notice shall set forth:

(a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") (including such person' s written consent to being named in the proxy statement as a nominee and to serving as a director if elected); and

(b) as to the stockholder giving the notice:

(i) the name and address, as they appear on the Corporation' s books, of such stockholder and any Stockholder Associated Person (defined below) covered by clause (ii) below and

(ii) (A) the class and number of shares of capital stock of the Corporation which are held of record or are beneficially owned by such stockholder and any Stockholder Associated Person and (B) any derivative positions held or beneficially held by the stockholder and any Stockholder Associated Person with respect to the Corporation' s securities and whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding has been made, the effect or intent of which is to increase or decrease the voting power of, or economic exposure of, such stockholder and any Stockholder Associated Person with respect to the Corporation' s securities.

At the request of the Board of Directors, any person nominated by the Board of Directors (or any committee thereof) for election as a director shall furnish to the Secretary of the Corporation that information required to be set forth in a stockholder' s notice of nomination which pertains to the nominee. No person shall be eligible to serve as a director of the Corporation unless nominated in accordance with the procedures set forth in this Bylaw. The chairman of the meeting shall, if the facts in his judgment warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the Bylaws, and if he should so determine and declare, the defective nomination shall be disregarded. In addition to the foregoing provisions of this Section 2.10, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.10.

"**Stockholder Associated Person**" of any stockholder means (A) any person controlling or controlled by, directly or indirectly, or acting in concert with, such stockholder, (B) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder and/or (C) any person controlling, controlled by or under common control with such Stockholder Associated Person.

Section 2.11. *Notice of Business.* At any meeting of the stockholders, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the Board of Directors (or any committee thereof) or (b) by any stockholder of the Corporation who is a stockholder of record at the time of giving of the notice provided for in this Section 2.11, who shall be entitled to vote at such meeting and who complies with the notice procedures set forth in this Section 2.11. For business to be properly brought before a stockholder meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, (i) in connection with an annual meeting of stockholders, a stockholder' s notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than 120 days nor more than 180 days prior to the first anniversary of the preceding year' s annual meeting of stockholders; *provided, however*, that in the event that the date of the annual meeting is advanced more than 30 days prior to such anniversary date or delayed more than 60 days after such anniversary date, then to be timely such notice must be received by the Corporation no later than the close of business on the later of the 120th day prior the date of the meeting and the 10th day following the day on which public announcement of the date of the meeting was made, and (ii) in connection with a special meeting of stockholders, a stockholder' s notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than 40 days nor more than 60 days prior to the date of the special meeting; *provided, however*, that if less than 55 days' notice or prior public disclosure of the date of the special meeting of the stockholders is given or made to the

stockholders, then to be timely such notice must be received by the Corporation no later than the close of business on the 10th day following the day on which a notice of the date of the special meeting was mailed to the stockholders or the public disclosure of the date of the meeting was made. A stockholder' s notice to the Secretary of the Corporation shall set forth as to each matter the stockholder proposes to bring before the meeting:

(a) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting;

(b) the name and address, as they appear on the Corporation' s books, of the stockholder proposing such business and any Stockholder Associated Person covered by clauses (c) and (d) below;

(c) (i) the class and number of shares of the Corporation which are held of record or are beneficially owned by such stockholder and by any Stockholder Associated Person with respect to the Corporation' s securities and (ii) any derivative positions held or beneficially held by the stockholder and any Stockholder Associated Person and whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding has been made, the effect or intent of which is to increase or decrease the voting power of, such stockholder and/or any Stockholder Associated Person with respect to the Corporation' s securities; and

(d) any material interest of the stockholder or any Stockholder Associated Person in such business.

Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at a stockholder meeting except in accordance with the procedures set forth in this Section 2.11. The chairman of the meeting shall, if the facts in his or her judgment warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of the Bylaws, and if he should so determine and declare, and any such business not properly brought before the meeting shall not be transacted. In addition to the foregoing provisions of this Section 2.11, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.11.

ARTICLE 3
DIRECTORS

Section 3.01. *General Powers.* Except as otherwise provided in Delaware Law or the Certificate of Incorporation, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 3.02. *Number, Election and Term of Office.* The Board of Directors shall consist of not less than three nor more than nine directors, with the exact number of directors to be determined from time to time solely by resolution adopted by the affirmative vote of a majority of the Whole Board. For purposes of these Bylaws, the term "**Whole Board**" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships. The election and terms of office of directors shall be governed by the Certificate of Incorporation. Directors need not be stockholders.

Section 3.03. *Quorum and Manner of Acting.* A majority of the total number of directors shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. When a meeting is adjourned to another time or place (whether or not a quorum is present), notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Board of Directors may transact any business which might have been transacted at the original meeting. If a quorum shall not be present at any meeting of the Board of Directors the directors present thereat shall adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 3.04. *Time and Place of Meetings.* The Board of Directors shall hold its meetings at such places, either within or without the State of Delaware, and at such times as may be determined from time to time by the Board of Directors (or the Chairman in the absence of a determination by the Board of Directors).

Section 3.05. *Annual Meeting.* The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such place either within or without the State of Delaware, on such date and at such time as shall be specified in a notice thereof given as hereinafter provided in Section 3.07 herein or in a waiver of notice thereof signed by any director who chooses to waive the requirement of notice.

Section 3.06. *Regular Meetings.* After the place and time of regular meetings of the Board of Directors shall have been determined and notice thereof shall have been once given to each member of the Board of Directors, regular meetings may be held without further notice being given.

Section 3.07. *Special Meetings.* Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors, Chief Executive Officer (if any) or the President and shall be called by the Chairman of the Board of Directors, Chief Executive Officer, President or Secretary on the written request of three directors. Notice of special meetings of the Board of Directors shall be given to each director at least 24 hours before the meeting in such manner as is determined by the Board of Directors, Chief Executive Officer or President (including personal delivery or by mail, telecopy, e-mail, facsimile or telephone). Notwithstanding the foregoing, a meeting of the Board of Directors may be held at any time without notice if all the directors are present, or if those not present sign (or electronically transmit) a waiver of notice of the meeting, either before or after the meeting.

Section 3.08. *Committees.* The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in a resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter expressly required by Delaware Law to be submitted to the stockholders for approval or (b) adopting, amending or repealing any Bylaw of the Corporation. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors from time to time.

Section 3.09. *Action by Consent.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions, are filed with the minutes of proceedings of the Board of Directors or committee thereof.

Section 3.10. *Telephonic Meetings.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or such committee, as the case may be, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 3.11. *Resignation.* Any director may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors or to the Secretary of the Corporation. The resignation of any director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.12. *Vacancies.* Unless otherwise provided in the Certificate of Incorporation or these Bylaws, vacancies on the Board of Directors resulting from death, resignation, removal or otherwise and newly created directorships resulting from any increase in the number of directors may be filled solely by a majority of the directors then in office or by the sole remaining director. Each director so elected shall hold office until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. If there are no directors in office, then an election of directors may be held in accordance with Delaware Law. Unless otherwise provided in the Certificate of Incorporation, when one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of the other vacancies.

Section 3.13. *Removal.* Any director or the entire Board of Directors may be removed, with cause, by the affirmative vote of the holders of at least 75% of the voting power of all the then outstanding shares of capital stock of the Corporation; *provided, however*, if the shares of capital stock of the Corporation held by the Investor Group (as defined in the Certificate of Incorporation) constitute more than 50% of the total voting power of all the then outstanding capital stock of the Corporation, any director or the entire Board of Directors may be removed, with or without cause, by the affirmative vote of the holders of a majority of the outstanding capital stock of the Corporation then entitled to vote at any election of directors and the vacancies thus created may be filled in accordance with Section 3.12 herein.

Section 3.14. *Compensation.* Unless otherwise provided in the Certificate of Incorporation or these Bylaws, the Board of Directors shall have authority to fix the compensation of directors, including fees and reimbursement of expenses.

Section 3.15. *Preferred Stock Directors.* Notwithstanding anything else contained herein, whenever the holders of one or more classes or series of preferred stock shall have the right, voting separately as a class or series, to elect directors, the election, term of office, filling of vacancies, removal and other features of such directorships shall be governed by the terms of the resolution or resolutions applicable thereto adopted by the Board of Directors pursuant to the Certificate of Incorporation, and such directors so elected shall not be subject to the provisions of Sections 3.02, 3.12 and 3.13 of this Article 3 unless otherwise provided therein.

ARTICLE 4
OFFICERS

Section 4.01. *Principal Officers.* The principal officers of the Corporation shall be a President, one or more Vice Presidents, a Treasurer and a Secretary who shall have the duty, among other things, to record the proceedings of the meetings of stockholders and the Board of Directors in a book kept for that purpose. The Corporation may also have such other principal officers, including a Chief Executive Officer and one or more Controllers, as the Board of Directors may in its discretion appoint. One person may hold the offices and perform the duties of any two or more of such offices, except that no one person shall hold the offices and perform the duties of President and Secretary.

Section 4.02. *Election and Term of Office.* The principal officers of the Corporation shall be elected annually by the Board of Directors at the meeting of the Board of Directors immediately following the annual meeting of Stockholders. Each such officer shall hold office until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal. The remuneration of all officers of the Corporation shall be fixed by the Board of Directors. Any vacancy in any office shall be filled in such manner as the Board of Directors shall determine.

Section 4.03. *Subordinate Officers.* In addition to the principal officers enumerated in Section 4.01 herein, the Corporation may have one or more Assistant Vice Presidents, Assistant Treasurers, Assistant Secretaries and Assistant Controllers and such other subordinate officers, agents and employees as the Board of Directors may deem necessary, each of whom shall hold office for such period as the Board of Directors may from time to time determine. The Board of Directors may delegate to any principal officer the power to appoint and to remove any such other officers enumerated in this Section 4.03.

Section 4.04. *Removal.* Any officer may be removed, with or without cause, at any time, by resolution adopted by the Board of Directors. Any officer appointed by a principal officer pursuant to authority delegated by the Board of Directors under Section 4.03 hereof may be removed by that principal officer or any other principal officer to whom the Board of Directors delegates such power to remove.

Section 4.05. *Resignations.* Any officer may resign at any time by giving written notice to the Board of Directors or to any principal officer. The resignation of any officer shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06. *Powers and Duties.* The officers of the Corporation shall have such powers and perform such duties incident to each of their respective offices and such other duties as may from time to time be conferred upon or assigned to them by the Board of Directors or, if applicable, by the principal officer who appointed them.

ARTICLE 5
CAPITAL STOCK

Section 5.01. *Certificates For Stock; Uncertificated Shares.* The shares of capital stock of the Corporation shall be uncertificated shares, *provided* that the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be represented by certificates. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Except as otherwise provided by law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of shares represented by certificates of the same class and series shall be identical. Every holder of stock represented by certificates shall be entitled to have a certificate signed in the name of the Corporation by (x) the Chairman of the Board of Directors, the Chief Executive Officer (if any), the President or a Vice President of such Corporation, and (y) by the Treasurer, an assistant Treasurer, the Secretary or an assistant Secretary of such Corporation, representing the number of shares registered in certificate form. Either or both of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Corporation shall not have power to issue a certificate in bearer form.

Section 5.02. *Transfer Of Shares.* Shares of the stock of the Corporation may be transferred on the record of stockholders of the Corporation by the holder thereof or by such holder' s duly authorized attorney upon surrender of a certificate therefor properly endorsed or upon receipt of proper transfer instructions from the registered holder of uncertificated shares or by such holder' s duly authorized attorney and upon compliance with appropriate procedures for transferring shares in uncertificated form, unless waived by the Corporation; *provided* that transfers of shares of the Class B Common Stock shall be made only in accordance with the provisions related thereto contained in the Certificate of Incorporation.

Section 5.03. *Authority for Additional Rules Regarding Transfer.* The Board of Directors shall have the power and authority to make all such rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificated or uncertificated shares of the stock of the Corporation, as well as for the issuance of new certificates in lieu of those which may be lost or destroyed, and may require of any stockholder requesting replacement of lost or destroyed certificates, bond in such amount and in such form as the Board of Directors may deem expedient to indemnify the Corporation, and/or the transfer agents, and/or the registrars of its stock against any claims arising in connection therewith.

ARTICLE 6
GENERAL PROVISIONS

Section 6.01. *Fixing the Record Date.* (a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day immediately preceding the day on which notice is given, or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any

change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 6.02. *Dividends*. Subject to limitations contained in Delaware Law and the Certificate of Incorporation, the Board of Directors may declare and pay dividends upon the shares of capital stock of the Corporation, which dividends may be paid either in cash, in property or in shares of the capital stock of the Corporation.

Section 6.03. *Year.* The fiscal year of the Corporation shall commence on January 1 and end on December 31 of each year.

Section 6.04. *Corporate Seal.* The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed, affixed or otherwise reproduced.

Section 6.05. *Voting of Securities Owned by the Corporation.* The Board of Directors may authorize any person, on behalf of the Corporation, to attend, vote at and grant proxies to be used at any meeting of stockholders of any corporation or other entity (except this Corporation) in which the Corporation may hold stock or other securities or interests.

Section 6.06. *Amendments.* These Bylaws or any of them, may be made, amended, altered, changed, added to or repealed at any meeting of the Board of Directors or of the stockholders; *provided*, in the case of a meeting of the Board of Directors, that the affirmative vote of at least 75% of all directors in office shall be required for the Board of Directors to amend, alter, change, add to, repeal, or adopt any Bylaw inconsistent with, Articles 2 and 3; and, *provided further*, in the case of a meeting of the stockholders, that notice of the proposed change was given in the notice of the meeting of the stockholders and that notwithstanding any provision of law which might otherwise permit a lesser vote of the stockholders, the affirmative vote of the holders of at least 75% of the voting power of all the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to make, amend, alter, change, add to or repeal any provision of these Bylaws.

* - * - * - * - * - * - * - * - * - * - * - * - * - * - * - * - * - * - * - * -

Exhibit 4.2

FORM OF REGISTRATION RIGHTS AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

and

THE STOCKHOLDERS NAMED HEREIN

Dated as of , 2013

REGISTRATION RIGHTS AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

and

THE STOCKHOLDERS NAMED HEREIN

REGISTRATION RIGHTS AGREEMENT, dated as of , 2013 (as amended from time to time, this "**Agreement**"), among Health Insurance Innovations, Inc., a Delaware corporation ("**HII**"), and each of the parties listed on Annex A (the "**Initial Stockholders**" and, as Annex A is updated and amended pursuant to Section 11(c), the "**Stockholders**").

W I T N E S S E T H:

WHEREAS, HII has agreed to provide the Stockholders the registration rights provided herein;

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1. *Definitions.* As used in this Agreement, the following terms have the following meanings:

"**Agreement**" is defined in the preamble.

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks in Tampa, Florida or New York City, New York are authorized by law to close.

"**Class A Shares**" means shares of Class A common stock, par value $0.001 per share, of HII.

"**Class B Shares**" means shares of Class B common stock, par value $0.001 per share, of HII.

"**Commission**" means the U.S. Securities and Exchange Commission or any successor thereto.

"**Common Equity Securities**" means the Class A Shares and all shares hereafter authorized of any class or series of common stock or other common equity interests of HII and any and all securities of any kind whatsoever of HII or any successor thereof which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of shares of Common Equity Securities

pursuant to a merger, consolidation, stock split, reverse split, stock dividend, recapitalization of HII or otherwise, which shares have the right (subject to the rights of any class or series of preferred stock or other preferred equity interests of HII) to participate in the distribution of the assets and earnings of HII without limit as to per share (or other denomination) amount; *provided* that Common Equity Securities shall not include the Class B Shares.

"**Company**" means Health Plan Intermediaries Holdings, LLC, a Delaware limited liability company.

"**Demanding Stockholder**" is defined in Section 2(a).

"**Demand Notice**" is defined in Section 2(a).

"**Demand Registration**" is defined in Section 2(a).

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended from time to time, and any successor statute thereto and the rules and regulations of the Commission promulgated thereunder.

"**Exchange Agreement**" means the Exchange Agreement dated as of the date hereof among HII, the Company and the other parties thereto, as the same may be amended from time to time in accordance with the terms thereof.

"**indemnified party**" and "**indemnifying party**" are defined in Section 7(c).

"**Initial Stockholders**" is defined in the preamble.

"**Existing Shares**" means the Registrable Securities issued to the holders of Series B Membership Interests immediately prior to the IPO pursuant to the LLC Agreement.

"**IPO**" means the initial public offering of Class A Shares by HII.

"**HPI**" means Health Plan Intermediaries, LLC, a Florida limited liability company.

"**LLC Agreement**" means the Third Amended and Restated Limited Liability Company Agreement of the Company dated as of , 2013, as such agreement may be amended from time to time.

"**Losses**" is defined in Section 7(a).

"**Notice**" is defined in Section 2(a).

"**Partner Distribution**" is defined in Section 2(a).

"**Permitted Transferee**" is defined in Section 11(c).

"**Person**" means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any government or agency or political subdivision thereof.

"**Piggyback Notice**" is defined in Section 3(a).

"**Piggyback Registration**" is defined in Section 3(a).

"**Proceeding**" means an action, claim, suit, arbitration or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Prospectus**" means the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement, and all other amendments and supplements to the Prospectus, including, without limitation, post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"**Registrable Securities**" means (a) all shares or other denominations of Common Equity Securities issuable upon exchange or conversion of any Series B Membership Interests in the Company (together with a corresponding number of Class B Shares) and (b) any other shares or other denominations of Common Equity Securities otherwise held by the Stockholders from time to time (including, without limitation, any Common Equity Securities issued or distributed by way of dividend, stock split or other distribution after the date hereof). For the avoidance of doubt, a holder of Registrable Securities may include in any registration (including, without limitation, "shelf" registration) Common Equity Securities issuable upon exchange or conversion of Class B Shares and/or Series B Membership Interests in the Company without having effected such exchange or conversion as long as such exchange or conversion is effected prior to disposition thereof in accordance with such registration. As to any particular Registrable

Securities, once issued such securities shall cease to be Registrable Securities when (i) a Registration Statement covering such Registrable Securities has been declared effective under the Securities Act by the Commission and such Registrable Securities have been disposed of pursuant to such effective Registration Statement, (ii) they have been distributed to the public pursuant to Rule 144, or (iii) they have been sold to any Person to whom the rights under this Agreement are not assigned in accordance with this Agreement. No Registrable Securities may be registered under more than one Registration Statement at any one time.

"**Registration Statement**" means any registration statement of HII under the Securities Act which permits the public offering of any of the Registrable Securities pursuant to the provisions of this Agreement, including, without limitation, the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"**Rule 144**" means Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission.

"**Shelf Offering**" is defined in Section 2(e).

"**Securities Act**" means the U.S. Securities Act of 1933, as amended from time to time, and any successor statute thereto and the rules and regulations of the Commission promulgated thereunder.

"**Series B Membership Interests**" is defined in the LLC Agreement.

"**Sub**" means Health Plan Intermediaries Sub, LLC, a Delaware limited liability company.

"**Stockholders**" is defined in the preamble.

"**Subsequent Holder**" is defined in Section 11(c).

"**Take-Down Notice**" is defined in Section 2(e).

"**underwritten registration**" or "**underwritten offering**" means a registration in which securities of HII are sold to an underwriter for reoffering to the public.

"**HII**" is defined in the preamble.

SECTION 2. *Demand Registration.*

(a) Requests for Registration. Subject to the limits set forth below, at any time after the completion of the IPO, each of HPI (or its designated Permitted Transferee) and Sub (or its designated Permitted Transferee) shall have the right by delivering a written notice to HII (a "**Demand Notice**", and the Stockholder submitting such Demand Notice, a "**Demanding Stockholder**") to require HII to register, pursuant to the terms of this Agreement under and in accordance with the provisions of the Securities Act, the number of Registrable Securities requested to be so registered pursuant to the terms of this Agreement (a "**Demand Registration**"). Within ten (10) days after receipt by HII of a Demand Notice, HII shall give written notice (the "**Notice**") of such Demand Notice to all other holders of Registrable Securities and shall, subject to the provisions of subsection (b), include in such registration all Registrable Securities with respect to which HII received written requests for inclusion therein within ten (10) days after such Notice is given by HII to such holders. A Demand Notice (including a Demand Notice that is also a Take-Down Notice) shall only be binding on HII if the sale of all Registrable Securities requested to be registered (pursuant to the Demand Notice and in response to the Notice) is reasonably expected to result in aggregate gross proceeds in excess of $25,000,000.

Following receipt of a Demand Notice for a Demand Registration, HII shall use its reasonable best efforts to file a Registration Statement as promptly as practicable, but not later than 60 days after such Demand Notice, and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof.

Each of HPI and Sub shall be entitled to request four (4) Demand Registrations; *provided, however*, that there shall be no limit to the number of Demand Registrations that constitute "shelf" registrations as contemplated by the next succeeding sentence. After such time as HII shall become eligible to use Form S-3 (or comparable form) for the registration under the Securities Act of any of its securities, HPI or Sub shall be entitled to request that any Demand Registration for which such Stockholder is delivering a Demand Notice be a "shelf" registration pursuant to Rule 415 under the Securities Act, and each of HPI and Sub shall be entitled to an unlimited number of Demand Registrations that constitute "shelf" registrations. Notwithstanding any other provisions of this Section 2, in no event shall more than one Demand Registration occur within any six (6) month period from the effective date of any Registration Statement filed pursuant to a prior Demand Notice.

No Demand Registration shall be deemed to have occurred for purposes of this Section 2 if (i) the Registration Statement relating to such Demand Registration does not become effective, (ii) the Registration Statement relating to such Demand Registration is not maintained effective for the period required pursuant to this subsection (a), (iii) the offering of the Registrable Securities

pursuant to the Registration Statement relating to such Demand Registration is subject to a stop order, injunction or similar order or requirement of the Commission during such period, or (iv) the Demand Registration does not become effective because the Demanding Stockholder withdraws its Demand Notice because a material adverse change has occurred, or is reasonably likely to occur, in the condition (financial or otherwise), prospects, business, assets or results of operations of HII and its subsidiaries taken as a whole subsequent to the date of the delivery of the Demand Notice.

All requests made pursuant to this Section 2 will specify the amount of Registrable Securities to be registered and the intended methods of disposition thereof.

HII shall be required to maintain the effectiveness of the Registration Statement (except in the case of a requested "shelf" registration) with respect to any Demand Registration for a period of at least 180 days after the effective date thereof or such shorter period in which all Registrable Securities included in such Registration Statement have actually been sold; *provided, however*, that such period shall be extended for a period of time equal to the period the holder of Registrable Securities refrains from selling any securities included in such registration at the request of (x) an underwriter or (y) HII pursuant to the provisions of this Agreement. HII shall be required to maintain the effectiveness of a "shelf" Registration Statement with respect to any Demand Registration at all times until the third anniversary of the effective date thereof, or, if earlier, until all Registrable Securities included in such Registration Statement have actually been sold; *provided, however*, that any Stockholder owning Common Equity Securities that have been included on a "shelf" Registration Statement may request that such Common Equity Securities be removed from such Registration Statement, in which event HII shall promptly either withdraw such Registration Statement if the Common Equity Securities of such Stockholder are the only Common Equity Securities still covered by such Registration Statement or file a post-effective amendment to such Registration Statement removing such Common Equity Securities.

Notwithstanding anything contained herein to the contrary, HII hereby agrees that (i) each Demand Registration that is a "shelf" registration pursuant to Rule 415 under the Securities Act shall contain all language (including, without limitation, on the Prospectus cover sheet, the principal stockholders' chart and the plan of distribution) as may be reasonably requested by a holder of Registrable Securities to allow for a distribution to, and resale by, the direct and indirect affiliates, partners, members or stockholders of a holder of Registrable Securities (a "**Partner Distribution**") and (ii) HII shall, at the reasonable request of any holder of Registrable Securities seeking to effect a Partner Distribution, file any Prospectus supplement or post-effective amendments and otherwise take any action reasonably necessary to include such language, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by such holder to effect such Partner Distribution.

(b) Priority on Demand Registration. If any of the Registrable Securities registered pursuant to a Demand Registration are to be sold in a firm commitment underwritten offering, and the managing underwriter or underwriters advise the holders of such securities in writing that in its or their view the total number or dollar amount of Registrable Securities proposed to be sold in such offering is such as to adversely affect the success of such offering (including, without limitation, securities proposed to be included by other holders of securities entitled to include securities in such offering pursuant to incidental or piggyback registration rights), then the number of Registrable Securities that in the opinion of such managing underwriter or underwriters can be sold without adversely affecting such offering shall be included in the following order:

(i) first, subject to the following paragraph, Existing Shares, on a pro rata basis based upon the number of Registrable Securities owned; and

(ii) second, any other shares of Common Equity Securities, on a pro rata basis based upon the number of Common Equity Securities owned.

In connection with any Demand Registration to which the provisions of this subsection (b) apply, no securities other than Registrable Securities shall be covered by such Demand Registration, and such registration shall not reduce the number of available Demand Registrations under this Section 2 in the event that the Registration Statement excludes more than 20% of the aggregate number of Registrable Securities requested to be included by the Demanding Stockholder. Notwithstanding anything herein to the contrary, if the managing underwriter or managing underwriters (if any) determine that the inclusion of the number of Existing Shares proposed to be included in any such offering would adversely affect the marketability of such offering, HII may exclude such number of Existing Shares as necessary or desirable to negate such adverse impact.

(c) Postponement of Demand Registration. HII shall be entitled to postpone (but not more than once in any twelve-month period), for a reasonable period of time not in excess of 75 days, the filing of a Registration Statement (but not the preparation of such Registration Statement) if HII delivers to the holders requesting registration a resolution of the board of directors of HII that, in the good faith judgment of the board of directors of HII, such registration and offering would reasonably be expected to materially adversely affect any bona fide material financing of HII or any material transaction under consideration by HII or would require disclosure of information that has not been disclosed to the public and is not otherwise required to be disclosed at that time, the premature

disclosure of which would materially adversely affect HII. Such board resolution shall contain a statement of the reasons for such postponement and an approximation of the anticipated delay. The holders receiving such board resolution shall keep the information contained in such board resolution confidential on the same terms set forth in Section 5(p). If HII shall so postpone the filing of a Registration Statement, the holder who made the Demand Registration shall have the right to withdraw the request for registration by giving written notice to HII within 20 days of the anticipated termination date of the postponement period, as provided in the board resolution delivered to the holders, and in the event of such withdrawal, such request shall not be counted for purposes of the number of Demand Registrations to which such holder is entitled pursuant to the terms of this Agreement.

(d) Use, and Suspension of Use, of "Shelf" Registration Statement. If HII has filed a "shelf" Registration Statement and has included Registrable Securities therein, HII shall be entitled to suspend (but not more than an aggregate of 90 days in any twelve month period), for such period of time as is reasonably necessary not in excess of 75 days, the offer or sale of Registrable Securities pursuant to such Registration Statement by any holder of Registrable Securities if (i) a "road show" is not then in progress with respect to a proposed offering of Registrable Securities by such holder pursuant to such Registration Statement and such holder has not executed an underwriting agreement with respect to a pending sale of Registrable Securities pursuant to such Registration Statement and (ii) HII delivers to the holders of Registrable Securities included in such Registration Statement a resolution of the board of directors of HII that, in the good faith judgment of the board of directors of HII, such offer or sale would reasonably be expected to materially adversely affect any bona fide material financing of HII or any material transaction under consideration by HII or would require disclosure of information that has not been disclosed to the public and is not otherwise required to be disclosed at that time, the premature disclosure of which would materially adversely affect HII. Such board resolution shall contain a statement of the reasons for such postponement and an approximation of the anticipated delay. The holders receiving such board resolution shall keep the information contained in such certificate confidential on the same terms set forth in Section 5(p). In addition, a holder of Registrable Securities may not use a "shelf" Registration Statement to effect the sale of any such securities unless such holder has given HII at least two Business Days advance written notice of the date or dates of a proposed sale of such securities by such holder pursuant to such Registration Statement (which notice may be given as often as such holder desires), and upon receipt of such a notice, HII agrees to provide prompt written notice to such holder if such "shelf" Registration Statement is not then usable (whether for reasons described above or otherwise).

(e) Underwritten "Shelf" Take-Downs. Subject to Section 2(d), at any time that any "shelf" Registration Statement is effective, if any holder or group of

holders of Registrable Securities delivers a notice to HII (a "**Take-Down Notice**") stating that it intends to effect an underwritten offering or distribution of all or part of the Registrable Securities included by it on such "shelf" Registration Statement (a "**Shelf Offering**") and stating the number of the Registrable Securities to be included in the Shelf Offering, then HII shall use reasonable best efforts to amend or supplement the "shelf" Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Offering (taking into account the inclusion of Registrable Securities by any other holders thereof pursuant to this Section 2(e)). In connection with any Shelf Offering: (i) HII shall, promptly after receipt of a Take-Down Notice, deliver such notice to all other holders of Registrable Securities included in such "shelf" Registration Statement and permit each holder to include its Registrable Securities included on the "shelf" Registration Statement in the Shelf Offering if such holder notifies the proposing holders and HII within two (2) Business Days after delivery of the Take-Down Notice to such holder, and in the event that the managing underwriter or underwriters advise the holders of such securities in writing that in its or their view the total number or dollar amount of Registrable Securities proposed to be sold in such offering is such as to adversely affect the success of such offering (including, without limitation, securities proposed to be included by other holders of securities entitled to include securities in such offering pursuant to incidental or piggyback registration rights), such underwriter(s), if any, may limit the number of shares which would otherwise be included in such Shelf Offering in the same manner as is described in Section 2(b).

SECTION 3. *Piggyback Registration.*

(a) Right to Piggyback. If, at any time after the completion of the IPO, HII proposes to file a registration statement under the Securities Act with respect to an offering of Common Equity Securities (other than a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto, (ii) filed solely in connection with an exchange offer or any employee benefit or dividend reinvestment plan or (iii) filed pursuant to Section 2 hereof), whether or not for its own account, then, each such time, HII shall give prompt written notice of such proposed filing at least fifteen (15) days before the anticipated filing date (the "**Piggyback Notice**") to all of the holders of Registrable Securities. The Piggyback Notice shall offer such holders the opportunity to include in such registration statement the number of Registrable Securities as each such holder may request (a "**Piggyback Registration**"). Subject to subsection (b) hereof, HII shall include in each such Piggyback Registration all Registrable Securities with respect to which HII has received written requests for inclusion therein within ten (10) days after notice has been given to the applicable holder. The holders of Registrable Securities exercising their rights under this subsection (a) shall be permitted to withdraw all or part of the Registrable Securities from a Piggyback Registration at any time prior to the effective date of such Piggyback Registration. HII shall not be required to maintain the effectiveness of the Registration

Statement for a Piggyback Registration beyond the earlier to occur of (i) 180 days after the effective date thereof and (ii) consummation of the distribution by the holders of the Registrable Securities included in such Registration Statement; *provided, however*, that any Stockholder owning Common Equity Securities that has been included in such Registration Statement may request that such Common Equity Securities be removed from such Registration Statement, in which event HII shall promptly either withdraw such Registration Statement or file a post-effective amendment to such Registration Statement removing such Common Equity Securities.

(b) Priority on Piggyback Registrations. HII shall use its reasonable best efforts to cause the managing underwriter or underwriters of a proposed underwritten offering to permit holders of Registrable Securities requested to be included in the registration for such offering to include all such Registrable Securities on the same terms and conditions as any other shares of capital stock, if any, of HII included therein. Notwithstanding the foregoing, if the managing underwriter or underwriters of such underwritten offering have informed HII in writing that in its or their view the total number or dollar amount of Common Equity Securities that the holders, HII and any other Persons having rights to participate in such registration, intend to include in such offering is such as to adversely affect the success of such offering, then the number of Common Equity Securities that in the opinion of such managing underwriter can be sold without adversely affecting such offering shall be included in the following order:

(i) first, the Common Equity Securities for the account of HII or, if the holders of Registrable Securities have in accordance with this Agreement approved the granting of registration rights to any third party, any third party initiating such registration;

(ii) second, subject to the following paragraph, the Existing Shares, on a pro rata basis based upon the number of Registrable Securities owned; and

(iii) third, Common Equity Securities for the account of any other Persons, on a pro rata basis based upon the number of Registrable Securities owned.

Notwithstanding anything contained herein to the contrary, HII hereby agrees that (i) any Piggyback Registration that is a "shelf" registration pursuant to Rule 415 under the Securities Act shall contain all language (including, without limitation, on the Prospectus cover sheet, the principal stockholders' chart and the plan of distribution) as may be reasonably requested by a holder of Registrable Securities to allow for a Partner Distribution and (ii) HII shall, at the reasonable request of any holder of Registrable Securities seeking to effect a Partner Distribution, file any Prospectus supplement or post-effective amendments and

otherwise take any action reasonably necessary to include such language, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by such holder to effect such Partner Distribution. Notwithstanding anything herein to the contrary, if the managing underwriter or managing underwriters (if any) determine that the inclusion of the number of Existing Shares proposed to be included in any such offering would adversely affect the marketability of such offering, HII may exclude such number of Existing Shares as necessary or desirable to negate such adverse impact.

Notwithstanding anything herein to the contrary, in respect of any offering under this Agreement (whether under Section 2, Section 3 or otherwise) no Stockholder or any of its affiliates (other than HII), officers, directors, members, stockholders or representatives shall be required directly or indirectly to make any representations or warranties to, or agreements with, HII or the underwriters (including, without limitation, agreements with respect to indemnification) other than representations, warranties or agreements regarding such Stockholder, its ownership of and title to the Registrable Securities and its intended method of distribution, and any liability of any such Stockholder or its affiliates (other than HII) to any underwriter or other Person under such underwriting agreement shall be limited to liability arising from breach of its representations and warranties and shall be limited to an amount equal to the total price at which the securities sold by such Stockholder were offered to the public (net of discounts and commissions paid by such Stockholder in connection with such offering).

SECTION 4. *Restrictions On Sale During Registration.*

(a) Each holder of Registrable Securities agrees, in connection with any underwritten offering made pursuant to a Registration Statement filed pursuant to Section 2 or Section 3 hereof (whether or not such holder elected to include Registrable Securities in such Registration Statement), if requested (pursuant to a written notice) by the managing underwriter or underwriters in an underwritten offering, not to effect any sale or distribution of any Common Equity Securities (except as part of such underwritten offering), including a sale pursuant to Rule 144, or to give any Demand Notice during the period commencing on the date of the request (which shall be no earlier than 14 days prior to the expected "pricing" of such offering) and continuing for not more than 90 days (with respect to any underwritten public offering other than the IPO made prior to the second anniversary of the completion of the IPO and thereafter 60 days rather than 90) after the date of the Prospectus (or Prospectus supplement if the offering is made pursuant to a "shelf" registration) pursuant to which such public offering shall be made or such shorter period as is required by the managing underwriter; *provided, however*, that HII and all executive officers and directors of HII must be subject to the same restrictions, and provided further, that such restrictions shall expire as to any such request if the relevant offering is not consummated within 45 days of the date of such request. Each holder of Registrable Securities agrees to enter into

a “lock-up” agreement containing provisions consistent in all material respects with this Section 4(a) for the benefit of the managing underwriters of any such underwritten offering. HII agrees to request each of its executive officers and independent directors to enter into a “lock-up” agreement containing provisions consistent in all material respects with this Section 4(a) for the benefit of the managing underwriters of any such underwritten offering, but HII shall have no further obligation if any executive officer or independent director does not so agree.

(b) HII, if requested (pursuant to a written notice) by the managing underwriter or underwriters of any underwritten offering made pursuant to a Registration Statement filed pursuant to Section 2 or Section 3 hereof, shall not effect any public sale or distribution of its Common Equity Securities during the 14 days prior to and the 90-day period (or, after the second anniversary of the completion of the IPO, the 60-day period) beginning on the “pricing” of such offering, except as part of such underwritten registration, or unless such managing underwriter or underwriters otherwise agree in writing, *provided* that such restrictions shall expire as to any such request if the relevant offering is not consummated within 45 days of the date of such request, and provided further that this Section 4(b) shall not apply to any sale pursuant to a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto or (ii) filed solely in connection with an exchange offer or any employee benefit or dividend reinvestment plan, or apply to any sales or grants of Common Equity Securities pursuant to employee benefit plans or contracts of HII or its subsidiaries.

SECTION 5. *Registration Procedures.* If and whenever HII is required to effect the registration of any Registrable Securities under the Securities Act as provided in Section 2 or Section 3 hereof, HII shall effect such registration to permit the sale of such Registrable Securities in accordance with the intended method or methods of disposition thereof, and pursuant thereto HII shall cooperate in the sale of the securities and shall, as expeditiously as reasonably possible:

(a) Prepare and file with the Commission a Registration Statement or Registration Statements on any form which shall be available for the sale of the Registrable Securities by the holders thereof or HII in accordance with the intended method or methods of distribution thereof (including, without limitation, a Partner Distribution), and use its reasonable best efforts to cause such Registration Statement to become effective and to remain effective as provided herein; *provided, however*, that no later than ten (10) days before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including, without limitation, documents that would be incorporated or deemed to be incorporated therein by reference), HII shall furnish or otherwise make available to the holders of the Registrable Securities covered by such Registration Statement, their counsel and the managing underwriters, if any, copies of all such

documents proposed to be filed. HII shall not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including, without limitation, such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration to which the holders of a majority of the Registrable Securities covered by such Registration Statement, their counsel, or the managing underwriters, if any, shall reasonably object, unless, in the opinion of HII and its counsel, such filing is necessary to comply with applicable law.

(b) Prepare and file with the Commission such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective during the period provided herein and comply in all material respects with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement; and cause the related Prospectus to be supplemented by any Prospectus supplement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of the securities covered by such Registration Statement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act; *provided*, *however*, that any holder of Registrable Securities that has been included on a "shelf" registration statement may request that such holder' s Registrable Securities be removed from such registration statement, in which event HII shall promptly either withdraw such registration statement or file a post-effective amendment to such registration statement removing such Registrable Securities.

(c) Notify each selling holder of Registrable Securities, its counsel and the managing underwriters, if any, promptly, and (if requested by any such Person) confirm such notice in writing, (i) when a Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any notice from the Commission that there will be a review of a Registration Statement and, to the extent requested by a holder of Registrable Securities, promptly provide such holders, their counsel and the managing underwriters, if any, with a copy of any SEC comments received by HII in connection therewith, (iii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or related Prospectus or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (v) if at any time the representations and warranties of HII contained in any agreement (including, without limitation, any underwriting agreement) contemplated by Section 5(o) below cease to be true and correct, (vi) of the receipt by HII of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any proceeding for

such purpose, and (vii) of the happening of any event that makes any statement made in such Registration Statement or related Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in such Registration Statement, Prospectus or documents so that, in the case of the Registration Statement, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, not misleading, and that in the case of the Prospectus, it will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) Use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement, or the lifting of any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction.

(e) If requested by the managing underwriters, if any, or any holder of Registrable Securities being sold in connection with an underwritten offering, promptly include in a Prospectus supplement or post-effective amendment such information as the managing underwriters, if any, and such holders may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such Prospectus supplement or such post-effective amendment as soon as practicable after HII has received such request.

(f) Furnish or make available to each selling holder of Registrable Securities, its counsel and each managing underwriter, if any, without charge, at least five conformed copies of the Registration Statement, the Prospectus and Prospectus supplements, if applicable, and each post-effective amendment thereto, including financial statements (but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference and all exhibits, unless requested by such holder, counsel or underwriter).

(g) Deliver to each selling holder of Registrable Securities, its counsel and the underwriters, if any, without charge, as many copies of the Prospectus or Prospectuses (including each form of Prospectus) and each amendment or supplement thereto as such Persons may reasonably request in connection with the distribution of the Registrable Securities; and HII, subject to the last paragraph of this Section 5, hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling holders of Registrable Securities and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any such amendment or supplement thereto.

(h) Prior to any public offering of Registrable Securities, use its reasonable best efforts to register or qualify or cooperate with the selling holders of Registrable Securities, the underwriters, if any, and their respective counsel in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or "Blue Sky" laws of such jurisdictions within the United States as any seller or underwriter reasonably requests and to keep each such registration or qualification (or exemption therefrom) effective during the period such Registration Statement is required to be kept effective and to take any other action that may be necessary or advisable to enable such holders of Registrable Securities to consummate the disposition of such Registrable Securities in such jurisdiction; *provided*, *however*, that HII will not be required to (i) qualify generally to do business in any jurisdiction where it is not then so qualified or (ii) take any action that would subject it to general service of process in any such jurisdiction where it is not then so subject.

(i) Unless the Registrable Securities to be sold are uncertificated, cooperate with the selling holders of Registrable Securities and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates (not bearing any legends) representing Registrable Securities to be sold after receiving written representations from each holder of such Registrable Securities that the Registrable Securities represented by the certificates so delivered by such holder will be transferred in accordance with the Registration Statement, and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, or holders may request at least two Business Days prior to any sale of Registrable Securities in a firm commitment public offering, but in any other such sale, within ten (10) Business Days prior to having to issue the securities.

(j) Use its reasonable best efforts to cause the Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities within the United States, except as may be required solely as a consequence of the nature of such selling holder' s business, in which case HII will cooperate in all reasonable respects with the filing of such Registration Statement and the granting of such approvals, as may be necessary to enable the seller or sellers thereof or the underwriters, if any, to consummate the disposition of such Registrable Securities.

(k) Upon the occurrence of any event contemplated by subsection (c)(vii) above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, such Prospectus will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(l) Prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities.

(m) Provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement from and after a date not later than the effective date of such Registration Statement.

(n) Use its reasonable best efforts to cause all shares of Registrable Securities covered by such Registration Statement to be authorized to be listed on a national securities exchange if shares of the particular class of Registrable Securities are at that time listed on such exchange.

(o) Enter into such agreements (including, without limitation, an underwriting agreement in form, scope and substance as is customary in underwritten offerings) and take all such other actions reasonably requested by the holders of a majority of the Registrable Securities being sold in connection therewith (including those reasonably requested by the managing underwriters, if any) to expedite or facilitate the disposition of such Registrable Securities, and in such connection, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the holders of such Registrable Securities and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings, and, if true, confirm the same if and when requested, (ii) furnish to the selling holders of such Registrable Securities opinions of counsel and a negative assurance letter to HII and updates thereof (which counsel, opinions and letter (in form, scope and substance, in the case of such opinions and such letter) shall be reasonably satisfactory to the selling holders of such Registrable Securities, the managing underwriters, if any, and counsels to the selling holders of the Registrable Securities), addressed to each selling holder of Registrable Securities and each of the underwriters, if any, covering the matters customarily covered in opinions and negative assurance letters requested in underwritten offerings and such other matters as may be reasonably requested by such holders, counsel and underwriters, (iii) obtain "cold comfort" letters and updates thereof from the independent certified public accountants of HII (and, if necessary, any other independent certified public accountants of any subsidiary of HII or of any business acquired by HII for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the underwriters, if any, such letters to be in customary form and covering matters of

the type customarily covered in "cold comfort" letters in connection with underwritten offerings, which form and substance shall be acceptable to the selling holders of the Registrable Securities, (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 7 hereof with respect to all parties to be indemnified pursuant to said Section and (v) deliver such documents and certificates as may be reasonably requested by any holder of Registrable Securities being sold, such holder' s counsel and the managing underwriters, if any, to evidence the continued validity of the representations and warranties made pursuant to subsection (o)(i) above and to evidence compliance with the conditions contained in the underwriting agreement or other agreement entered into by HII. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder.

(p) Make available for inspection by the selling holders of Registrable Securities, any underwriter participating in any such disposition of Registrable Securities, if any, and any attorneys or accountants retained by such selling holders or underwriter, at the offices where normally kept, during reasonable business hours, all financial and other records, pertinent corporate documents and properties of HII and its subsidiaries, and cause the officers and employees of HII and its subsidiaries to supply all information in each case reasonably requested by any such holder, underwriter, attorney or accountant in connection with such Registration Statement; *provided*, *however*, that any information that is not publicly available at the time of delivery of such information shall be kept confidential by such Persons (other than disclosure by such Persons to such Persons' respective affiliates) unless (i) disclosure of such information is required by court or administrative order or other legal process, (ii) disclosure of such information is required by law, or (iii) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by such Person. In the case of a proposed disclosure pursuant to (i) or (ii) above, such Person shall, to the extent practical, be required to give HII written notice of the proposed disclosure prior to such disclosure and, if requested by HII, at HII' s expense, assist HII in seeking to prevent or limit the proposed disclosure.

(q) Comply with all applicable rules and regulations of the Commission and make available to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder, or any similar rule promulgated under the Securities Act, no later than forty-five (45) days after the end of any twelve (12) month period (or ninety (90) days after the end of any twelve (12) month period if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm commitment or best efforts underwritten offering and (ii) if not sold to underwriters in such an offering, commencing on the first day of the first fiscal quarter of HII after the effective date of a Registration Statement, which statements shall cover one of said twelve (12) month periods.

(r) Cause its officers to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, participation in "road shows"), to the extent reasonably requested.

Notwithstanding anything contained herein to the contrary, HII hereby agrees that (i) any Demand Registration that is a "shelf" registration pursuant to Rule 415 under the Securities Act shall contain all language (including, without limitation, on the prospectus cover sheet, the principal stockholders' chart and the plan of distribution) as may be reasonably requested by a holder of Registrable Securities. HII may require each seller of Registrable Securities as to which any registration is being effected to furnish to HII in writing such information required in connection with such registration regarding such seller and the distribution of such Registrable Securities as HII may, from time to time, reasonably request in writing.

Each holder of Registrable Securities agrees if such holder has Registrable Securities covered by such Registration Statement that, upon receipt of any notice from HII of the happening of any event of the kind described in subsection (c) (iii), (iv), (v), (vi) or (vii) hereof, such holder will forthwith discontinue disposition of such Registrable Securities covered by such Registration Statement or Prospectus until such holder is advised in writing by HII that the disposition may be resumed and, if applicable, has received copies of the supplemented or amended Prospectus contemplated by subsection (k) hereof, together with any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus; *provided*, *however*, that HII shall extend the time periods under Section 2 with respect to the length of time that the effectiveness of a Registration Statement must be maintained by the amount of time the holder is required to discontinue disposition of such securities.

SECTION 6. *Registration Expenses.* All fees and expenses incident to the performance of or compliance with this Agreement by HII (including, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (A) with respect to filings required to be made with the Financial Industry Regulatory Authority and the Commission, (B) of compliance with securities or Blue Sky laws, including, without limitation, any fees and disbursements of counsel for the underwriters in connection with Blue Sky qualifications of the Registrable Securities pursuant to Section 5(h) and (C) of listing and registration with a national securities exchange or national market interdealer quotation system), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities in a form eligible for deposit with The Depository Trust Company and of printing Prospectuses if the printing of Prospectuses is requested by the managing underwriters, if any, or by the holders of a majority of the Registrable Securities included in any Registration Statement), (iii) messenger, telephone and delivery expenses of HII, (iv) fees and disbursements of counsel for HII, (v) expenses of HII incurred in connection with

any road show, (vi) fees and disbursements of all independent certified public accountants referred to in Section 5(o)(iii) hereof (including, without limitation, the expenses of any "cold comfort" letters required by this Agreement) and any other persons, including special experts retained by HII, (vii) rating agency fees and (viii) reasonable fees and disbursements of one counsel reasonably acceptable to HII for the holders of Registrable Securities whose shares are included in a Registration Statement, which counsel shall be selected by the holders of a majority of the Registrable Securities included in such Registration Statement) shall be borne by HII whether or not any Registration Statement is filed or becomes effective. In addition, HII shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit, the fees and expenses incurred in connection with the listing of the securities to be registered on any securities exchange on which similar securities issued by HII are then listed and rating agency fees and the fees and expenses of any Person, including special experts, retained by HII.

HII shall not be required to pay (i) fees and disbursements of any counsel retained by any holder of Registrable Securities or by any underwriter (except as set forth in clauses 6(i)(B) and (viii)), (ii) any underwriter' s fees (including discounts, commissions or fees of underwriters, selling brokers, dealer managers or similar securities industry professionals) relating to the distribution of the Registrable Securities (other than with respect to Registrable Securities sold by HII) or (iii) any other expenses of the holders of Registrable Securities not specifically required to be paid by HII pursuant to the first paragraph of this Section 6.

SECTION 7. *Indemnification.*

(a) Indemnification by HII. HII shall, without limitation as to time, indemnify and hold harmless, to the fullest extent permitted by law, each holder of Registrable Securities whose Registrable Securities are covered by a Registration Statement or Prospectus, the affiliates, officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees of each of them, each Person who controls each such holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees of each such controlling person, each underwriter, if any, and each Person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) such underwriter, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation or Proceeding), expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, "**Losses**"), as incurred, arising out of or based upon

any untrue statement (or alleged untrue statement) of a material fact contained in any Prospectus, offering circular or other document (including, without limitation, any related Registration Statement, notification or the like) incident to any such registration, qualification, or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by HII of the Securities Act or any rule or regulation thereunder applicable to HII and relating to action or inaction required of HII in connection with any such registration, qualification, or compliance, and will reimburse each such holder, each of its affiliates, officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees and each person controlling such holder, each such underwriter, and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability, or action, *provided*, *however*, that HII will not be liable in any such case to the extent that any such claim, loss, damage, liability, or expense arises out of or is based on any untrue statement or omission by such holder or underwriter, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such Registration Statement, Prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to HII by such holder. It is agreed that the indemnity agreement contained in this Section 7(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of HII (which consent shall not be unreasonably withheld).

(b) Indemnification by Holder of Registrable Securities. In connection with any Registration Statement in which a holder of Registrable Securities is participating, such holder of Registrable Securities shall furnish to HII in writing such information as HII reasonably requests for use in connection with any Registration Statement or Prospectus and agrees to indemnify, to the fullest extent permitted by law, severally and not jointly, HII, its directors, officers, accountants, attorneys, agents and employees, each Person who controls HII (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, partners, members, managers, stockholders, accountants, attorneys, agents or employees of such controlling persons, and each underwriter, if any, and each person who controls such underwriter (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), from and against all Losses arising out of or based on any untrue statement of a material fact contained in any such Registration Statement, Prospectus, offering circular or other document, or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse HII and such directors, officers, partners, members, managers, stockholders, accountants, attorneys, employees, agents, persons,

underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but in each case only to the extent, that such untrue statement or omission is made in such Registration Statement, Prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to HII by such holder specifically for use in connection with the preparation of such Registration Statement, Prospectus, offering circular or other document; *provided*, *however*, that the obligations of such holder hereunder shall not apply to amounts paid in settlement of any such claims, losses, damages, or liabilities (or actions in respect thereof) if such settlement is effected without the consent of such holder (which consent shall not be unreasonably withheld); and provided further, however, that the liability of each selling holder of Registrable Securities hereunder shall be limited to the net proceeds received by such selling holder from the sale of Registrable Securities covered by such Registration Statement. In addition, insofar as the foregoing indemnity relates to any such untrue statement or omission made in the preliminary Prospectus but eliminated or remedied in the amended Prospectus on file with the Commission at the time the Registration Statement becomes effective or in the final Prospectus filed pursuant to applicable rules of the Commission or in any supplement or addendum thereto and such new Prospectus is delivered to the underwriter, the indemnity agreement herein shall not inure to the benefit of such underwriter, any controlling person of such underwriter and their respective Representatives, if a copy of the final Prospectus filed pursuant to such rules, together with all supplements and addenda thereto was not furnished to the Person asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act.

(c) Conduct of Indemnification Proceedings. If any Person shall be entitled to indemnity hereunder (an "**indemnified party**"), such indemnified party shall give prompt notice to the party from which such indemnity is sought (the "**indemnifying party**") of any claim or of the commencement of any Proceeding with respect to which such indemnified party seeks indemnification or contribution pursuant hereto; *provided*, *however*, that the delay or failure to so notify the indemnifying party shall not relieve the indemnifying party from any obligation or liability except to the extent that the indemnifying party has been prejudiced by such delay or failure. The indemnifying party shall have the right, exercisable by giving written notice to an indemnified party promptly after the receipt of written notice from such indemnified party of such claim or Proceeding, to, unless in the indemnified party' s reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume, at the indemnifying party' s expense, the defense of any such claim or Proceeding, with counsel reasonably satisfactory to such indemnified party; *provided*, *however*, that an indemnified party shall have the right to employ separate counsel in any such claim or Proceeding and to participate in the defense

thereof, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (i) the indemnifying party agrees to pay such fees and expenses or (ii) the indemnifying party fails promptly to assume, or in the event of a conflict of interest cannot assume, the defense of such claim or Proceeding or fails to employ counsel reasonably satisfactory to such indemnified party; in which case the indemnified party shall have the right to employ counsel and to assume the defense of such claim or proceeding; provided further, however, that the indemnifying party shall not, in connection with any one such claim or Proceeding or separate but substantially similar or related claims or Proceedings in the same jurisdiction, arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one firm of attorneys (together with appropriate local counsel) at any time for all of the indemnified parties, or for fees and expenses that are not reasonable. Whether or not such defense is assumed by the indemnifying party, such indemnified party will not be subject to any liability for any settlement made without its consent (but such consent will not be unreasonably withheld, delayed or conditioned). The indemnifying party shall not consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release, in form and substance reasonably satisfactory to the indemnified party, from all liability in respect of such claim or litigation for which such indemnified party would be entitled to indemnification hereunder.

(d) Contribution. If the indemnification provided for in this Section 7 is unavailable to an indemnified party in respect of any Losses (other than in accordance with its terms), then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and such indemnified party, on the other hand, in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such indemnifying party, on the one hand, and indemnified party, on the other hand, shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been taken by, or relates to information supplied by, such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent any such action, statement or omission.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this subsection (d), an indemnifying party that

is a selling holder of Registrable Securities shall not be required to contribute any amount in excess of the amount by which the net proceeds from the sale of the Registrable Securities sold by such indemnifying party exceeds the amount of any damages that such indemnifying party has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in any underwriting agreement entered into in connection with any underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

SECTION 8. *Rule 144.* After the completion of the IPO, HII shall file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner, and will take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the request of any holder of Registrable Securities, HII shall deliver to such holder a written statement as to whether it has complied with such requirements.

SECTION 9. *Underwritten Registrations.* If any Demand Registration is an underwritten offering or there is any Shelf Offering, the holders of a majority of the Registrable Securities to be sold pursuant to such underwritten Demand Registration or to be included in such Shelf Offering shall have the right to select the investment banker or investment bankers and managers to administer the offering, provided such Persons are reasonably acceptable to HII. HII shall have the right to select the investment banker or investment bankers and managers to administer any Piggyback Registration.

SECTION 10. *Limitation On Subsequent Registration Rights.* From and after the date of this Agreement HII shall not, without the prior written consent of the holders of two-thirds of the Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of HII, giving such holder or prospective holder any registration rights the terms of which are equivalent to or more favorable than the registration rights granted to holders of Registrable Securities hereunder, or which would reduce the amount of Registrable Securities the holders can include in any registration filed pursuant to Section 2 hereof, unless such rights are subordinate to those of the holders of Registrable Securities.

SECTION 11. *Miscellaneous.*

(a) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without the written consent of holders of two-thirds of the Registrable Securities; *provided*, *however*, that in no event shall the obligations of any holder of Registrable Securities be materially increased or the rights of any Stockholder be adversely affected (without similarly adversely affecting the rights of all Stockholders), except upon the written consent of such holder. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other holders of Registrable Securities may be given by holders of at least two-thirds of the Registrable Securities being sold by such holders pursuant to such Registration Statement.

(b) Notices. All notices, requests, consents and other communications hereunder to any party shall be in writing and shall be delivered in person or sent by facsimile (provided a copy is thereafter promptly delivered as provided in this subsection (b)) or nationally recognized overnight courier, addressed to such party at the address or facsimile number set forth in HII' s records in the case of a Stockholder, or below with respect to HII, or such other address or facsimile number as may hereafter be designated in writing by such party to the other parties:

If to HII, to:

15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Telephone: (877) 376-5831
Facsimile: (877) 376-5832
Attention: Michael W. Kosloske

with a copy (which shall not constitute notice to HII) to:

Davis Polk & Wardwell llp
450 Lexington Avenue
New York, NY 10017
Telephone: (212) 450-4135
Facsimile: (212) 701-5135
Attention: Deanna Kirkpatrick

Each such notice or other communication shall be deemed received on the date sent to the recipient thereof in accordance with this subsection (b), if sent prior to 5:00 p.m. in the place of receipt and such day is a Business Day; otherwise, such Notice shall be deemed not to have been received until the next succeeding Business Day.

(c) Successors and Assigns; Stockholder Status. This Agreement shall inure to the benefit of the recipients of a Partner Distribution (provided that in connection with a Partner Distribution a single Person shall have been appointed and duly authorized to serve as agent on behalf of all such transferees with respect to all matters that are the subject of this Agreement, including the giving and receiving of notice on behalf of such transferees) and shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties, including subsequent holders (each, a "**Subsequent Holder**") of Registrable Securities that, alone or taken together with their Affiliates, acquired, directly or indirectly, from a Stockholder or Stockholders, not less than 20% of the Registrable Securities held by such Stockholder or Stockholders (together with their Affiliates) as of the date hereof (each, a "**Permitted Transferee**"); *provided*, *however*, that such Permitted Transferee shall not be entitled to such rights unless such Permitted Transferee shall have executed and delivered to HII an Addendum Agreement substantially in the form of Exhibit A hereto promptly following the acquisition of such Registrable Securities, in which event such Permitted Transferee shall be deemed a Stockholder for purposes of this Agreement and Annex A shall be updated by HII accordingly, and provided further that no such Subsequent Holder shall have any rights under this Agreement at such time as such Subsequent Holder' s Registrable Securities are freely tradable without volume limitations under Rule 144. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any Person other than the parties hereto and their respective Permitted Transferees any legal or equitable right, remedy or claim under, in or in respect of this Agreement or any provision herein contained. It is understood and agreed that no assignment or transfer by any of HPI and Sub of any of the Demand Registrations to which it is entitled pursuant to the third paragraph of Section 2(a) will result in an increase in the number of Demand Registrations (that do not constitute "shelf" registrations) to which HII is otherwise subject.

(d) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(e) Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) Governing Law. This Agreement and the rights of the parties hereunder will be governed by, construed and enforced in accordance with the laws of the State of New York without regard to conflicts of law principles thereof.

(g) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(h) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement, and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein, with respect to the registration rights granted by HII with respect to Registrable Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(i) Securities Held by HII or its Subsidiaries. Whenever the consent or approval of holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by HII or its subsidiaries shall not be counted in determining whether such consent or approval was given by the holders of such required percentage.

(j) Termination. This Agreement shall terminate on the date when no Registrable Securities remain outstanding; provided that Section 6 and Section 7 shall survive any termination.

(k) Specific Performance. The parties hereto recognize and agree that money damages may be insufficient to compensate the holders of any Registrable Securities for breaches by HII of the terms hereof and, consequently, that the equitable remedy of specific performance of the terms hereof will be available in the event of any such breach.

(l) Consent to Jurisdiction. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought and maintained exclusively in the United States District Court for the Southern District of New York or the Supreme Court of the State of New York located in the County of New York. Each of the parties irrevocably consents to submit to the personal jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding.

Process in any such suit, action or proceeding in such courts may be served, and shall be effective, on any party anywhere in the world, whether within or without the jurisdiction of any such court, by any of the methods specified for the giving of notices pursuant to subsection (b) of this Section 11. Each of the parties irrevocably waives, to the fullest extent permitted by law, any objection or defense that it may now or hereafter have based on venue, inconvenience of forum, the lack of personal jurisdiction and the adequacy of service of process (as long as the party was provided notice in accordance with the methods specified in subsection (b) of this Section 11) in any suit, action or proceeding brought in such courts.

(m) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized representatives as of the day and year first above written.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name: Michael W. Kosloske

Title: Chief Executive Officer

HEALTH PLAN INTERMEDIARIES, LLC

By: _____

Name:

Title:

HEALTH PLAN INTERMEDIARIES SUB, LLC

By: _____

Name:

Title:

Annex A

STOCKHOLDERS

Health Plan Intermediaries, LLC

Health Plan Intermediaries Sub, LLC

Exhibit A

ADDENDUM AGREEMENT

This ADDENDUM AGREEMENT is made this day of , 20 , by and between (the "**New Stockholder**") and Health Insurance Innovations, Inc. ("**HII**"), pursuant to a Registration Rights Agreement (as amended from time to time, the "**Agreement**") dated as of , 2013, by and among HII and the Stockholders.

Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

W I T N E S S E T H:

WHEREAS, HII has agreed to provide registration rights with respect to the Registrable Securities as set forth in the Agreement;

WHEREAS, the New Stockholder has acquired Registrable Securities directly or indirectly from a Stockholder; and

WHEREAS, HII and the Stockholders have required in the Agreement that all persons desiring registration rights must enter into an Addendum Agreement binding the New Stockholder to the Agreement to the same extent as if it were an original party thereto;

NOW, THEREFORE, in consideration of the mutual promises of the parties, the New Stockholder acknowledges that it has received and read the Agreement and that the New Stockholder shall be bound by, and shall have the benefit of, all of the terms and conditions set out in the Agreement to the same extent as if it were a Stockholder originally party to the Agreement.

[NAME]

By: _____

Name:

Title:

Address for Notices:

Facsimile No.

AGREED TO pursuant to Section 11(c) of the Agreement.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name:

Title:

Exhibit 10.1

FORM OF THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

of

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

Dated as of , 2013

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH MEMBERSHIP INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

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THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

of

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

This THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (the "**Agreement**") of Health Plan Intermediaries Holdings, LLC, a Delaware limited liability company (the "**Company**"), dated as of , is adopted, executed and agreed to, for good and valuable consideration, by Health Insurance Innovations, Inc., a Delaware corporation ("**HII**"), Health Plan Intermediaries, LLC, a Florida limited liability company ("**HPI**") and Health Plan Intermediaries Sub, LLC, a Delaware limited liability company ("**HPIS**"), as Members. Capitalized terms used but not simultaneously defined are defined in or by reference to Section 1.01.

W I T N E S S E T H:

WHEREAS, the Company was formed as a limited liability company on July 16, 2012, pursuant to the Delaware Limited Liability Company Act (6 *Del.C.* §18-101, *et seq*.) (as amended from time to time, the "**Delaware LLC Act**") by the filing of its Certificate of Formation (as amended, the "**Certificate**") with the Secretary of State;

WHEREAS, HII and the Company have entered into an underwriting agreement (the "**IPO Underwriting Agreement**") with the several underwriters (the "**IPO Underwriters**") named therein, providing for the initial public offering (the "**IPO**") of up to [−] Class A Shares (as defined below) of HII;

WHEREAS, prior to the execution hereof, HPI and HPIS were the sole members of the Company (the "**Prior Members**") under the Second Amended and Restated Liability Company Agreement of the Company dated as of November 7, 2012 (the "**Prior LLC Agreement**") pursuant to which the Company has heretofore been governed;

WHEREAS, in connection with the IPO, it is contemplated that (i) immediately prior to consummation of the IPO (the "**Effective Time**"), all of the limited liability company interests in the Company held by the Prior Members (the "**Prior LLC Interests**") will be converted into the number of Series B Membership Interests (as defined below) set forth opposite each Prior Member' s name in Exhibit A hereto, (ii) at the Effective Time, all of the shares of common stock of HII held by the Prior Members will be converted into the number of Class B Shares (as defined below) equal to the number of Series B Membership Interests issued to such Prior Member, (iii) immediately after the IPO, HII will contribute the net proceeds thereof to the Company in exchange for [−] Series A Membership Interests (as defined below), and (iv) if and to the extent the IPO Underwriters exercise their over-allotment option to purchase Optional Securities (as defined below) pursuant to Section 3 of the IPO underwriting Agreement, HII will issue additional Class A Shares and use the net proceeds thereof to purchase an equal number of Series B Membership Interests and Class B Shares from HPI, which Series B

Membership Interests will immediately thereafter be recapitalized into Series A Membership Interests and which Class B Shares will immediately thereafter be cancelled (collectively, the "**IPO Transactions**"); and

WHEREAS, the Prior Members desire to amend and restate the Prior LLC Agreement as set forth herein to give effect to IPO Transactions and to reflect the admission of HII as a Member and as sole managing member.

NOW, THEREFORE, the Members and the Company hereby agree as follows:

ARTICLE 1
DEFINED TERMS

Section 1.01. *Definitions.* As used in this Agreement, the following terms have the following meanings:

"**Adjusted Capital Account**" means, with respect to any Member, the balance in such Member' s Capital Account as of the end of the relevant Fiscal Year or period, adjusted as follows:

(a) increased by the sum of (x) any amounts which such Member is obligated or has agreed to contribute (but has not yet contributed) to the Company and (y) the amounts which such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treas. Reg. §1.704-1(b)(2)(ii)(c), Treas. Reg. §1.704-2(g)(1) and Treas. Reg. §1.704-2(i)(5); and

(b) decreased by the items described in subclauses (4), (5) and (6) of Treas. Reg. §1.704-1(b)(2)(ii)(d) with respect to such Member.

"**Affiliate**" means, when used with respect to a specified Person, any Person which (a) directly or indirectly Controls, is Controlled by or is Under Common Control with such specified Person, (b) is an officer, director, general partner, trustee or manager of such specified Person or of a Person described in clause (a), or (c) is a Relative of such specified Person or of an individual described in clauses (a) or (b).

"**Agreement**" is defined in the preamble.

"**Applicable Law**" means, to the extent applicable to the Company or its activities or any Member, as applicable: (a) all U.S. federal and state statutes and laws and all statutes and laws of foreign countries; (b) all rules and regulations (including interpretations thereof) of all regulatory agencies, organizations and bodies; and (c) all rules and regulations (including interpretations thereof) of all self-regulatory agencies, organizations and bodies now or hereafter in effect.

"**Assumed Tax Liability**" means an amount equal to [ ]% times the aggregate amount of all items of income, gain, deduction, loss, and credit allocated to such Member pursuant to Section 6.05 (computed without regard to (i.e., ignoring) any reduction in income attributable to any basis adjustments with respect to a Member as a result of the Company' s election pursuant to Section 754 of the Code).

"**Book Value**" means, with respect to any property, such property' s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Book Value of any property contributed by a Member to the Company shall be the Fair Market Value of such property as reasonably determined by the Managing Member;

(b) The Book Values of all properties shall be adjusted to equal their respective Fair Market Values as determined in the Managing Member' s discretion in connection with (i) the acquisition of an interest in the Company by any new or existing Member in exchange for more than a *de minimis* capital contribution to the Company, (ii) the distribution by the Company to a Member of more than a *de minimis* amount of property as consideration for an interest in the Company, or (iii) the liquidation of the Company within the meaning of Treas. Reg. §1.704-1(b)(2)(ii)(g)(I) (other than pursuant to Section 708(b)(1)(B) of the Code);

(c) The Book Value of property distributed to a Member shall be the Fair Market Value of such property as determined by the Managing Member; and

(d) The Book Value of all property shall be increased (or decreased) to reflect any adjustments to the adjusted tax basis of such property pursuant to Section 734(b) of the Code or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treas. Reg. §1.704-1 (b)(2)(iv)(m) and clause (f) of the definition of Net Profits and Net Losses; *provided, however,* that Book Value shall not be adjusted pursuant to this clause (d) to the extent the Managing Member determines that an adjustment pursuant to clause (b) hereof is necessary or appropriate in connection with the transaction that would otherwise result in an adjustment pursuant to this clause (d).

If the Book Value of property has been determined or adjusted pursuant to clauses (b) or (d) hereof, such Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such property for purposes of computing Net Profits and Net Losses and other items allocated pursuant to Article 6.

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks in Tampa, Florida or New York, New York are authorized by law to close.

"**Capital Account**" is defined in Section 6.01(a).

"**Capital Contribution**" means the amount of all cash capital contributions by a Member to the Company and the Fair Market Value of any property contributed by a Member to the Company (net of any liabilities secured by such property that the Company is considered to assume or take subject to under Section 752 of the Code).

"**Certificate**" is defined in the recitals.

"**Class A Shares**" means the class A common stock, par value $0.001 per share, of HII.

"**Class B Shares**" means the class B common stock, par value $0.001 per share, of HII.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company**" is defined in the preamble.

"**Company Minimum Gain**" means "partnership minimum gain" as that term is defined in Treas. Reg. §1.704-2(d).

"**Control**," including the correlative terms "**Controlling**," "**Controlled by**" and "**Under Common Control with**" means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person.

"**Delaware LLC Act**" is defined in the recitals.

"**Depreciation**" means, for each Fiscal Year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to property for such taxable year, except that with respect to any property the Book Value of which differs from its adjusted tax basis at the beginning of such taxable year, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization or other cost recovery deduction for such taxable year bears to such beginning adjusted tax basis; *provided* that if the adjusted tax basis of any property at the beginning of such taxable year is zero, Depreciation with respect to such property shall be determined with reference to such beginning value using any reasonable method selected by the Managing Member.

"**Dispute**" is defined in Article 13.

"**Economic Risk of Loss**" has the meaning assigned to such term in Treas. Reg. §1.752-2(a).

"**Effective Time**" is defined in the recitals.

"**Equity Securities**" means, as applicable, (a) any capital stock, membership interests, other share capital or securities containing any profit participation features, (b) any securities directly or indirectly convertible or exercisable into or exchangeable for any capital stock, membership interests, other share capital or securities containing any profit participation features, (c) any rights or options directly or indirectly to subscribe for or to purchase any capital stock, membership interests, other share capital or securities containing any profit participation features or to subscribe for or to purchase any securities directly or indirectly convertible or exercisable into or exchangeable for any capital stock, membership interests, other share capital or securities containing any profit participation features, (d) any share appreciation rights, phantom share rights or other similar rights, or (e) any equity securities, rights or instruments issued or issuable with respect to any of the foregoing referred to in clauses (a) through (d) above in connection with a combination, subdivision, recapitalization, merger, consolidation, conversion, share exchange or other reorganization or similar event or transaction.

"**Exchange Agreement**" means the Exchange Agreement dated as of the date hereof among HII, HPI, HPIS and the Company.

"**Exchange Rate**" is defined in the Exchange Agreement; *provided* that for purposes of Section 3.02 and Section 3.03, the "Exchange Rate" for determining the number of Series A Membership Interests to be issued, forfeited, vested, redeemed, repurchased or otherwise dealt with in connection with similar actions involving Class A Shares shall be the same for Series A Membership Interests as it is at the time under the Exchange Agreement for Exchanges (as defined in the Exchange Agreement) of Series B Membership Interests for Class A Shares.

"**Fair Market Value**" means, with respect to specified property as of any date, the fair market value for such property as between a willing buyer under no compulsion to buy and a willing seller under no compulsion to sell in an arm' s length transaction occurring on such date, taking into account all relevant factors determinative of value (including in the case of securities any restrictions on transfer applicable thereto), as is reasonably determined in good faith by the Managing Member.

"**Fiscal Year**" means, except as otherwise required by Applicable Law, for the Company' s financial reporting and federal income tax purposes, a period commencing January 1 and ending December 31 of each year, or such other period as the Managing Member may determine.

"**Indemnitee**" is defined in Section 11.02.

"**Initiating Party**" is defined in Article 13.

"**Investment Company Act**" means the Investment Company Act of 1940, as amended from time to time.

"**IPO**" is defined in the recitals.

"**IPO Underwriters**" is defined in the recitals.

"**IPO Underwriting Agreement**" is defined in the recitals.

"**Losses**" is defined in Section 11.02.

"**Majority Holders**," at any time, means Members holding a majority of the Series B Membership Interests at such time outstanding; *provided*, *however*, that if the outstanding Series B Membership Interests represent less than 25% of the aggregate Series B Membership Interests issued at the Effective Time, "**Majority Holders**" shall mean the Managing Member.

"**Managing Member**" means HII.

"**Member**" means each Person listed on Exhibit A hereto and each other Person that becomes a member of the Company as provided herein, so long as such Person continues as a member of the Company.

"**Member Nonrecourse Debt**" has the meaning assigned to the term "partner nonrecourse debt" in Treas. Reg. §1.704-2(b)(4).

"**Member Nonrecourse Debt Minimum Gain**" has the meaning assigned to the term "partner nonrecourse debt minimum gain" in Treas. Reg. §1.704-2(i)(2).

"**Member Nonrecourse Deductions**" has the meaning assigned to the term "partner nonrecourse deductions" in Treas. Reg. §1.704-2(i)(1).

"**Net Profits**" and "**Net Losses**" for any Fiscal Year or other period means, respectively, an amount equal to the Company' s taxable income or loss for such taxable year, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits and Net Losses pursuant to this definition of "Net Profits" and "Net Losses" shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code expenditures pursuant to Treas. Reg. §1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition of "Net Profits" and "Net Losses" shall be subtracted from such taxable income or loss;

(c) In the event the Book Value of any asset is adjusted pursuant to clause (b), clause (c) or clause (d) of the definition of Book Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Book Value of the asset) or an item of loss (if the adjustment decreases the Book Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Net Profits or Net Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such taxable year;

(f) To the extent an adjustment to the adjusted tax basis of any asset pursuant to Section 734(b) of the Code is required, pursuant to Treas. Reg. §1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Account balances as a result of a distribution other than in liquidation of a Member' s interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or an item of loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Net Profits or Net Losses; and

(g) Any items that are allocated pursuant to Section 6.04 shall be determined by applying rules analogous to those set forth in clauses (a) through (f) hereof but shall not be taken into account in computing Net Profits and Net Losses.

"**Nonrecourse Deductions**" is defined in Treas. Reg. §1.704-2(b).

"**Notice**" is defined in Section 14.08.

"**Optional Securities**" as used herein has the meaning ascribed to it in the IPO Underwriting Agreement.

"**Prior LLC Agreement**" is defined in the preamble.

"**Panel**" is defined in Article 13.

"**Percentage Interest**" of each Member is set forth on Exhibit A hereto, which may be amended from time to time and which shall be equal to a fraction (expressed as a percentage), the numerator of which is the number of Series A Membership Interests and Series B

Membership Interests held by such Member and the denominator of which is the number of Series A Membership Interests and Series B Membership Interests held by all the Members (it being understood that if the Company hereafter issues any Equity Securities other than Series A Membership Interests or Series B Membership Interests, then this definition shall be changed pursuant to an amendment of this Agreement in accordance with the terms hereof).

"**Permitted Transferee**" means (i) the spouse of such Member, (ii) any trust, or family partnership or family limited liability company, the sole beneficiary of which is such Member, the spouse of, or any Person related by blood or adoption to, such Member, (iii) an Affiliate of such Member, (iv) in the context of a distribution by such Member to its direct or indirect equity owners substantially in proportion to such ownership, the partners, members or stockholders of such Member, or the partners, members or stockholders of such partners, members or stockholders, (v) any Member and (vi) any Transferee in a Transfer that complies with Article 9.

"**Permitted Transferee Member**" means a Permitted Transferee that is admitted as a Member pursuant to the terms of this Agreement.

"**Person**" means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee, or entity in a representative capacity, and any government or agency or political subdivision thereof.

"**Registration Rights Agreement**" means the Registration Rights Agreement dated as of the date hereof among HII and the other parties thereto.

"**Regulatory Allocations**" is defined in Section 6.04(b).

"**Relative**" means any Person' s child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships and any Person sharing such Person' s household (other than a tenant or employee).

"**Responding Party**" is defined in Article 13.

"**Secretary of State**" means the Secretary of State of the State of Delaware.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Series A Membership Interests**" is defined in Section 3.01(a).

"**Series B Membership Interests**" is defined in Section 3.01(a).

"**Subsidiary**" means (a) any corporation, limited liability company or other entity, a majority of the capital stock or other equity interests of which having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions is at the time owned, directly or indirectly, with power to vote, by the Company or any direct or indirect Subsidiary of the Company or (b) a partnership in which the Company or any direct or indirect Subsidiary is a general partner.

"**Subsidiary Partnership**" means an entity which is a partnership for U.S. federal income tax purposes and which is Controlled by the Company.

"**Tax Distribution Date**" is defined in Section 5.02.

"**Tax Matters Member**" is defined in Section 12.05(a).

"**Tax Receivable Agreement**" means the Tax Receivable Agreement dated [ ] among HII, the Company and the other parties thereto.

"**Transfer**" is defined in Section 9.01.

"**Transaction Documents**" means, collectively, this Agreement, the Exchange Agreement, the Registration Rights Agreement and the Tax Receivable Agreement.

"**Treasury Regulations**" or "**Treas. Reg.**" means the Federal income tax regulations promulgated under the Code, as such Treasury Regulations may be amended from time to time (it being understood that all references herein to specific sections of the Treasury Regulations shall be deemed also to refer to any corresponding provisions of succeeding Treasury Regulations).

Section 1.02. *Other Definitional and Interpretative Provisions.* The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The headings and captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Annexes are to Articles, Sections, Exhibits and Annexes of this Agreement unless otherwise specified. Any capitalized term used in any Exhibit and not otherwise defined therein has the meaning ascribed to such term in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," whether or not they are in fact followed by those words or words of like import. "Writing," "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, restated, modified or supplemented from time to time in accordance with the terms thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean,

unless otherwise specified, from and including or through and including, respectively. References to "law," "laws" or to a particular statute or law shall be deemed also to include any and all Applicable Laws.

ARTICLE 2
ORGANIZATION

Section 2.01. *Formation; Amendment and Restatement.* The Company was formed as a Delaware limited liability company under and pursuant to the Delaware LLC Act. The Members agree to continue the Company as a limited liability company under the Delaware LLC Act, upon the terms and subject to the conditions set forth in this Agreement. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Delaware LLC Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Delaware LLC Act, control.

Section 2.02. *Company Name.* The name of the Company is Health Plan Intermediaries Holdings, LLC. The business of the Company may be conducted under that name or such other names as the Managing Member may from time to time designate; *provided*, *however*, that the Company complies with Applicable Law relating to name changes and the use of fictitious and assumed names.

Section 2.03. *Purposes of the Company.* The purposes of the Company are to carry on any lawful business or activity and to have and exercise all of the powers, rights and privileges which a limited liability company organized pursuant to the Delaware LLC Act may have and exercise. The Company shall not conduct any business which is forbidden by or contrary to Applicable Law.

Section 2.04. *Principal Place of Business.* The principal place of business of the Company shall be 15438 N. Florida Avenue, Suite 201, Tampa, Florida, 33613 or such other place as the Managing Member may designate from time to time. The Company may establish or abandon from time to time such additional offices and places of business as the Managing Member may deem appropriate in the conduct of the Company' s business.

Section 2.05. *Registered Office and Agent.* The name of the registered agent for service of process of the Company and the address of the Company' s registered office in the State of Delaware shall be the initial registered agent named in the Certificate and the office of the initial registered agent named in the Certificate, or such other agent or office in the State of Delaware as the Managing Member or the officers may from time to time determine.

Section 2.06. *Qualification in Other Jurisdictions.* The Managing Member or a duly authorized officer of the Company shall execute, deliver and file certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in the jurisdictions in which the Company may wish to conduct business. In those jurisdictions in which the Company may wish to conduct business in which qualification or registration under assumed or fictitious names is required or desirable, the Managing Member or a duly authorized officer of the Company shall cause the Company to be so qualified or registered in compliance with Applicable Law.

Section 2.07. *Term.* The term of the Company shall continue indefinitely unless the Company is dissolved in accordance with the provisions of this Agreement and the Delaware LLC Act.

Section 2.08. *No State-law Partnership.* The Members intend that the Company shall not be a partnership (including a limited partnership) or joint venture, and that no Member or officer shall be a partner or joint venturer of any other Member or officer by virtue of this Agreement, for any purposes other than as is set forth in the last sentence of this Section 2.08, and this Agreement shall not be construed to the contrary. The Members intend that the Company be treated as a partnership for U.S. federal income tax purposes and under state tax laws, and the Company shall not elect to be treated as an association taxable as a corporation.

ARTICLE 3
CAPITALIZATION

Section 3.01. *Membership Interests; Capitalization.*

(a) Membership Interests; Capitalization. Each Member' s interest in the Company, including such Member' s interest, if any, in the capital, income, gain, loss, deduction and expense of the Company and the right to vote, if any, on certain Company matters as provided in this Agreement, shall be represented by units of limited liability company interest (each, a "**Membership Interest**"). The Company shall have two authorized classes of Membership Interests, designated "**Series A Membership Interests**" and "**Series B Membership Interests**." The total number of authorized Membership Interests consists of an unlimited number of authorized Series A Membership Interests and [−] Series B Membership Interests. The ownership by a Member of Membership Interests shall entitle such Member to allocations of profits and losses and other items and distributions of cash and other property as is set forth in Article 5 and Article 6, respectively.

(b) Issuances of Series A Membership Interests to Managing Member. Immediately after consummation of the IPO, the Company shall issue to the Managing Member the number of Series A Membership Interests set forth opposite the Managing Member' s name under the column "Series A Membership Interests" set forth on Exhibit A. The Managing Member shall hold all Series A Membership Interests and additional Series A Membership Interests may only be issued to the Managing Member in accordance with the terms and conditions of this Agreement.

(c) Issuances of Series B Membership Interests. At the Effective Time, the Company shall convert the Membership Interests of the Prior Members issued pursuant to the Prior LLC Agreement into the number of Series B Membership Interests set forth opposite such Member' s name under the column "Series B Membership Interests" on Exhibit A. After the Effective Time, for each Series B Membership Interest the Company issues to a Member, HII shall issue one Class B Share to such Member.

(d) Members. The Managing Member and the Persons listed on Exhibit A are the sole Members of the Company as of the date hereof. Exhibit A may be amended by the Company from time to time in accordance with Section 4.01.

(e) Certificates; Legends. Membership Interests shall be issued in uncertificated form; *provided* that, at the request of any Member, the Managing Member shall cause the Company to issue one or more certificates to any such Member holding Series B Membership Interests representing in the aggregate the Series B Membership Interests held by such Member. If any Series B Membership Interest certificate is issued, then such certificate shall bear a legend substantially in the following form:

> THIS CERTIFICATE EVIDENCES SERIES B MEMBERSHIP INTERESTS REPRESENTING A MEMBERSHIP INTEREST IN HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC AND IS A SECURITY WITHIN THE MEANING OF ARTICLE 8 OF THE UNIFORM COMMERCIAL CODE. THE MEMBERSHIP INTEREST IN HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR ANY NON-U.S. OR STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE THEREWITH. THE MEMBERSHIP INTEREST IN HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH IN THE THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC, DATED AS OF , AS THE SAME MAY BE AMENDED FROM TIME TO TIME.

Section 3.02. *Authorization and Issuance of Additional Membership Interests.*

(a) The Managing Member shall have the right to cause the Company to issue and/or create and issue at any time after the date hereof, and for such amount and form of consideration

as the Managing Member may determine, additional Membership Interests (of Series A Membership Interests, Series B Membership Interests or new classes) or other Equity Securities of the Company (including creating classes or series thereof having such powers, designations, preferences and rights as may be determined by the Managing Member), subject to Section 14.09. The Managing Member shall have the power to make such amendments to this Agreement in order to provide for such powers, designations, preferences and rights as the Managing Member in its discretion deems necessary or appropriate to give effect to such additional authorization or issuance in accordance with the provisions of this Section 3.02(a), subject to Section 14.09.

(b) At any time HII issues one or more Class A Shares (other than an issuance of the type covered by Section 3.02(d) or an issuance of Optional Securities), HII shall promptly contribute to the Company all the net proceeds (if any) received by HII with respect to such Class A Share or Class A Shares. Upon the contribution by HII to the Company of all of such net proceeds so received by HII, the Managing Member shall cause the Company to issue a number of Series A Membership Interests determined based upon the Exchange Rate then in effect, registered in the name of HII.

(c) At any time HII issues one or more shares of capital stock of HII (other than Class A Shares or Class B Shares), HII shall contribute all (but not less than all) the net proceeds (if any) received by HII with respect to such share or shares of capital stock to the Company. After HII contributes to the Company all (but not less than all) such net proceeds so received by HII, then, subject to the provisions of Section 3.02(a) and Section 14.09, the Managing Member shall cause the Company to issue a corresponding number of Membership Interests or other Equity Securities of the Company (other than Series A Membership Interests or Series B Membership Interests) (such corresponding number of Membership Interests to be determined in good faith by the Managing Member, taking into account the powers, designations, preferences and rights of such capital stock) registered in the name of HII.

(d) At any time HII issues one or more Class A Shares in connection with an equity incentive program, whether such share or shares are issued upon exercise (including cashless exercise) of an option, settlement of a restricted stock unit, as restricted stock or otherwise, the Managing Member shall cause the Company to issue a corresponding number of Series A Membership Interests, registered in the name of HII (determined based upon the Exchange Rate then in effect); *provided* that HII shall be required to contribute all (but not less than all) the net proceeds (if any) received by HII from or otherwise in connection with such issuance of one or more Class A Shares, including the exercise price of any option exercised, to the Company. If any such Class A Shares so issued by HII in connection with an equity incentive program are subject to vesting or forfeiture provisions, then the Series A Membership Interests that are issued by the Company to HII in connection therewith in accordance with the preceding provisions of this Section 3.02(d) shall be subject to vesting or forfeiture on the same basis; if any of such Class A Shares vest or are forfeited, then a corresponding number of the Series A Membership Interests (determined based upon the Exchange Rate then in effect) issued by the Company in accordance with the preceding provisions of this Section 3.02(d) shall automatically vest or be

forfeited. Any cash or property held by either HII or the Company or on either' s behalf in respect of dividends paid on restricted Class A Shares that fail to vest shall be returned to the Company upon the forfeiture of such restricted Class A Shares.

(e) For purposes of this Section 3.02, "net proceeds" means gross proceeds to HII from the issuance of Class A Shares or other securities less all *bona fide* out-of-pocket expenses of HII, the Company and their respective Subsidiaries in connection with such issuance.

Section 3.03. *Repurchase or Redemption of Class A Shares.* If, at any time, any Class A Shares are repurchased or redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by HII for cash, then the Managing Member shall cause the Company, immediately prior to such repurchase or redemption of Class A Shares, to redeem a corresponding number of Series A Membership Interests held by HII (determined based upon the Exchange Rate then in effect), at an aggregate redemption price equal to the aggregate purchase or redemption price of the Class A Share or Class A Shares being repurchased or redeemed by HII (plus any expenses related thereto) and upon such other terms as are the same for the Class A Share or Class A Shares being repurchased or redeemed by HII.

Section 3.04. *Changes in Common Stock.* Any subdivision (by stock split, stock dividend, reclassification, recapitalization or otherwise) or combination (by reverse stock split, reclassification, recapitalization or otherwise) of Class A Shares shall be accompanied by an identical subdivision or combination, as applicable, of the Series A Membership Interests.

ARTICLE 4
MEMBERS

Section 4.01. *Names and Addresses.* The names and addresses of the Members are set forth on Exhibit A attached hereto and made a part hereof. The Managing Member shall cause Exhibit A to be amended from time to time to reflect the admission of any additional Member, the withdrawal or termination of any Member, receipt by the Company of notice of any change of address of a Member or the occurrence of any other event requiring amendment of Exhibit A.

Section 4.02. *No Liability for Status as Member.* The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company; and no Member shall have any personal liability whatsoever solely by reason of its status as a Member, whether to the Company or to any creditor of the Company, for the debts, obligations or liabilities of the Company or for any of its losses beyond the amount of such Member' s personal obligation to pay its Capital Contribution to the Company, and as otherwise set forth in the Delaware LLC Act or under Applicable Law. Except as otherwise expressly provided in the Delaware LLC Act, the liability of each Member for Capital Contributions shall be limited to the amount of Capital Contributions required to be made by such Member in accordance with the provisions of this Agreement, but only when and to the

extent the same shall become due pursuant to the provisions of this Agreement. In no event shall any Member enter into any agreement or instrument that would create or purport to create personal liability on the part of any other Member for any debts, obligations or liabilities of the Company without the prior written consent of such other Member. It is acknowledged and agreed that no Member is obligated to pay or make any future Capital Contribution to the Company.

Section 4.03. *No Restrictions of Business Pursuits of Member.* This Agreement shall not preclude or limit in any respect the right of any Member to engage in or possess any interest in other business ventures of any kind, nature or description.

Section 4.04. *Transactions Between Members and the Company.* Except as otherwise provided by Applicable Law, a Member may, but shall not be obligated to, lend money to the Company, act as a surety or guarantor for the Company, or transact other business with the Company, and has the same rights and obligations when transacting business with the Company as a person or entity who is not a Member, provided such transactions shall be entered into on terms and conditions customary in arm' s length transactions between unrelated parties.

Section 4.05. *Meeting of Members.* Any action permitted or required to be taken by the Members pursuant to this Agreement may be considered at a meeting of such Members held not less than ten days after notification thereof shall have been given by the Managing Member to all Members. Such notification may be given by the Managing Member, in its discretion, at any time. Any such notification shall state briefly the purpose, time and place of the meeting. All such meetings shall be held within or outside the State of Delaware at such reasonable place as the Managing Member shall designate and during normal business hours, and may be held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. The Members may vote at any such meeting in person or by proxy. Participation in such a meeting shall constitute presence in person at such meeting. No notice of the time, place or purpose of any meeting need be given to any Member who, either before or after the time of such meeting, waives such notice in writing. At any meeting of the Members, the Managing Member, whether present in person or by proxy, shall, except as otherwise provided by law or by this Agreement, constitute a quorum. Whenever any Company action is to be taken by vote of the Members at a meeting, it shall be authorized upon receiving the affirmative vote of the Managing Member. For the avoidance of doubt, Members owning Series B Membership Interests shall not be entitled, with respect to such Series B Membership Interests, to vote on or approve or consent to any action permitted or required to be taken or any determination required to be made by the Company or the Members, including the right to vote on or approve or consent to any merger or consolidation involving the Company, or any amendment to this Agreement, other than pursuant to Section 14.09.

Section 4.06. *Action by Members Without Meeting.* Any action permitted or required to be taken by the Members pursuant to this Agreement may be effected at a meeting of the Members or by consent in writing or by electronic transmission of the Managing Member, with the same effect as if taken at a meeting of the Members.

Section 4.07. *Limited Rights of Members.* Other than as provided in this Article 4 and Article 10 (and Article 7 in the case of the Managing Member), no Member, in such Person' s capacity as a Member, shall have the power or authority to act for or on behalf of, or to bind, the Company, or to vote at any meeting of the Members.

ARTICLE 5
DISTRIBUTIONS

Section 5.01. *Distributions.* To the extent permitted by Applicable Law and hereunder, distributions to Members may be declared by the Managing Member out of funds legally available therefor in such amounts and on such terms (including the payment dates of such distributions) as the Managing Member shall determine using such record date as the Managing Member may designate; such distribution shall be made to the Members as of the close of business on such record date on a pro rata basis in accordance with each Member' s Percentage Interest as of the close of business on such record date; *provided*, *however*, that the Managing Member shall have the obligation to make distributions as set forth in Sections 5.02 and 10.01; and *provided further* that, notwithstanding any other provision herein to the contrary, no distributions shall be made to any Member to the extent such distribution would render the Company insolvent. For purposes of the foregoing sentence, insolvency means the inability of the Company to meet its payment obligations when due. Promptly following the designation of a record date and the declaration of a distribution pursuant to this Section 5.01, the Managing Member shall give notice to each Member of the record date, the amount and the terms of the distribution and the payment date thereof. In furtherance of the foregoing, it is intended that the Managing Member shall, to the extent permitted by Applicable Law and hereunder, have the right in its sole discretion to make distributions to the Members pursuant to this Section 6.01 in such amounts as shall enable HII to meet its obligations pursuant to the Tax Receivable Agreement.

Section 5.02. *Distributions for Payment of Income Tax.* On or about each date (a "**Tax Distribution Date**") that is five (5) Business Days prior to the date on which estimated U.S. federal income tax payments are required to be made by calendar year individual taxpayers and each due date for the U.S. federal income tax return of an individual calendar year taxpayer (without regard to extensions), the Company shall make a distribution to each Member of cash in an amount equal to such Member' s Assumed Tax Liability, if any, for such taxable period (the "**Tax Distributions**"). Distributions pursuant to this Section 5.02 shall be treated as an advance distribution under Section 5.01 and shall be offset against future distributions that such holder of Membership Interests would otherwise be entitled to receive pursuant to Section 5.01. The calculation of Assumed Tax Liability shall take into account the carryforward of prior losses and the character of the items allocated (*e.g.*, capital or ordinary) and shall treat each distribution

made pursuant to this Section 5.02 as a payment of taxes or estimated taxes. If on a Tax Distribution Date there are not sufficient funds on hand to distribute to each Member the full amount of such Member' s Assumed Tax Liability, distributions pursuant to this Section 5.02 shall be made to the Members to the extent of the available funds in proportion to each Member' s Assumed Tax Liability and the Company shall make future distributions as soon as funds become available to pay the remaining portion of such Member' s Assumed Tax Liability. To the extent that, on any Tax Distribution Date, a Member would otherwise be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid on such date, the Tax Distributions to such Member shall be increased to ensure that all distributions made pursuant to this Section 5.02 shall be made on a pro rata basis in accordance with Percentage Interests. In the event of any audit adjustment by a taxing authority that affects the calculation of any Member' s Tax Distribution for any taxable year, or in the event the Company files an amended return which has such effect, each Member' s Tax Distribution with respect to such year shall be recalculated by giving effect to such audit adjustment or changes reflected in such amended return, as applicable (and by including therein an additional amount that, when distributed to the Members pursuant to this sentence, will be sufficient to satisfy the obligation of any Member or former Member in connection therewith for interest or penalties), and (x) any shortfall in the amount of Tax Distributions the Members and former Members received for the relevant taxable years based on such recalculated Tax Distribution amount shall promptly be distributed to such Members and successors of former Members, except to the extent that Distributions were made to such Members and former Members pursuant to Section 5.01 in the relevant taxable years and (y) any excess in the amount of Tax Distributions the Members received for the relevant taxable years based on such recalculated Tax Distribution shall be applied against, and reduce the amount of, subsequent Tax Distributions due to such Member or successor Member.

Section 5.03. *Limitations on Distributions.* Notwithstanding anything to the contrary contained in this Agreement, distributions to Members shall be subject to the restrictions contained in §18-607 of the Delaware LLC Act.

Section 5.04. *Withholding.*

(a) Authority to Withhold; Treatment of Withheld Amounts. Each Member hereby authorizes the Company and the Managing Member on behalf of the Company to withhold and to pay over, or otherwise to pay, any withholding or other taxes payable by the Company (pursuant to any provision of United States federal, state or local or foreign law) with respect to such Member or as a result of such Member' s participation in the Company; and if and to the extent that the Company shall be required to withhold or pay any such withholding or other taxes, such Member shall be deemed for all purposes of this Agreement to have received a payment from the Company as of the time such withholding or other tax is paid, which payment shall be deemed to be a distribution with respect to such Member' s Membership Interest in the Company.

(b) Indemnification. Each Member shall, to the fullest extent permitted by Applicable Law, indemnify and hold harmless the Managing Member and each other Person (other than the Company) who is or who is deemed to be the responsible withholding agent for United States federal, state or local or foreign income tax purposes against all claims, liabilities and expenses of whatever nature (other than any claims, liabilities and expenses in the nature of penalties and accrued interest thereon that result from such Managing Member' s or such other Person' s gross negligence, willful misconduct or fraud) relating to the Company' s, the Managing Member' s or such other Person' s obligation to withhold and to pay over, or otherwise to pay, any withholding or other taxes payable by the Company or any of its Affiliates with respect to such Member or as a result of such Member' s participation in the Company.

(c) Refunds. In the event that the Company receives a refund of taxes previously withheld, the economic benefit of such refund shall be apportioned among the Members in a manner reasonably determined by the Managing Member to offset the prior operation of this Section 5.04 in respect of such withheld taxes.

ARTICLE 6
ALLOCATIONS AND TAX MATTERS

Section 6.01. *Capital Accounts and Adjusted Capital Accounts.*

(a) Establishment of Capital Accounts. There shall be established and maintained for each Member on the books of the Company a capital account (a "**Capital Account**"). Each Member' s Capital Account (a) shall be increased by (i) the amount of money contributed by such Member to the Company, (ii) the Book Value of property contributed by that Member to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to under Section 752 of the Code) and (iii) allocations to such Member of Net Profits and any other items of income or gain allocated to such Member, and (b) shall be decreased by (i) the amount of money distributed to such Member by the Company, (ii) the Book Value of property distributed to such Member by the Company (net of liabilities secured by the distributed property that such Member is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations to such Member of Net Losses and any other items of loss or deduction allocated to such Member. The Capital Accounts shall also be increased or decreased to reflect a revaluation of Company property pursuant to paragraph (b) of the definition of Book Value. On the transfer of all or part of a Member' s Membership Interests, the Capital Account of the transferor that is attributable to the transferred Membership Interests shall carryover to the Permitted Transferee Member in accordance with the provisions of Treas. Reg. §1.704-1(b)(2)(iv)(1). A Member that has more than one class of Membership Interests shall have a single Capital Account that reflects all such Membership Interests.

(b) Negative Balances; Interest. None of the Members shall have any obligation to the Company or to any other Member to restore any negative balance in its Capital Account. No interest shall be paid by the Company on any Capital Contributions.

(c) No Withdrawal. No Person shall be entitled to withdraw any part of such Person' s Capital Contributions or Capital Account or to receive any distribution from the Company, except as expressly provided herein.

Section 6.02. *Additional Capital Contributions.* No Member shall be required to make any additional Capital Contributions to the Company or lend any funds to the Company, although any Member may agree with the Managing Member and become obligated to do so.

Section 6.03. *Allocations of Net Profits and Net Losses.* Subject to Section 6.04, Net Profits or Net Losses for any Fiscal Year or other period shall be allocated to the Members in proportion to their respective Percentage Interests.

Section 6.04. *Special Allocations.*

(a) Notwithstanding any other provision of this Agreement, the following allocations shall be made for each Fiscal Year or other period:

(i) Notwithstanding any other provision of this Section 6.04, if there is a net decrease in Company Minimum Gain during any taxable period, each Member shall be allocated items of Company income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treas. Reg. §1.704-2(f), (g)(2) and (j). For purposes of this Section 6.04, each Member' s Capital Account shall be determined and the allocation of income or gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Article 6 with respect to such taxable period. This Section 6.04(a)(i) is intended to comply with the partnership minimum gain chargeback requirement in Treas. Reg. §1.704-2(f) and shall be interpreted consistently therewith.

(ii) Notwithstanding the other provisions of this Section 6.04 (other than 6.04(a)(i) above), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any taxable period, any Member with a share of Member Nonrecourse Debt Minimum Gain at the beginning of such taxable period shall be allocated items of Company income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treas. Reg. §1.704-2(i)(4) and (j)(2). For purposes of this Section 6.04, each Member' s Adjusted Capital Account balance shall be determined, and the allocation of income and gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Section 6.04(a), other than Section 6.04(a)(i) above, with respect to such taxable period. This Section 6.04(a)(ii) is intended to comply with the Member nonrecourse debt minimum gain chargeback requirement in Treas. Reg. §1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) Except as provided in Sections 6.04(a)(i) and 6.04(a)(ii) above, in the event any Member unexpectedly receives any adjustments, allocations or distributions described in Treas. Reg. §1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by such Treasury Regulations, the deficit balance, if any, in its Adjusted Capital Account created by such adjustments, allocations or distributions as quickly as possible unless such deficit balance is otherwise eliminated pursuant to Sections 6.04(a)(i) and 6.04(a)(ii).

(iv) In the event any Member has a deficit balance in its Adjusted Capital Account at the end of any taxable period, such Member shall be specially allocated items of Company gross income and gain in the amount of such excess as quickly as possible; *provided, however,* that an allocation pursuant to this Section 6.04(a)(iv) shall be made only if and to the extent that such Member would have a deficit balance in its Adjusted Capital Account after all other allocations provided in this Section 6.04(a) have been tentatively made as if this Section 6.04(a)(iv) were not in this Agreement.

(v) Nonrecourse Deductions for any taxable period shall be allocated to the Members in accordance with their Percentage Interests.

(vi) Member Nonrecourse Deductions for any taxable period shall be allocated 100% to the Member that bears the Economic Risk of Loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treas. Reg. §1.704-2(i) or Treas. Reg. §1.704-2(k). If more than one Member bears the Economic Risk of Loss with respect to a Member Nonrecourse Debt, Member Nonrecourse Deductions attributable thereto shall be allocated between or among such Members in accordance with the ratios in which they share such Economic Risk of Loss.

(b) *Curative Allocation*. The allocations set forth in Section 6.04(a) (the "**Regulatory Allocations**"*)* are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 6.04(b). Therefore, notwithstanding any other provision of this Article 6 (other than the Regulatory Allocations), but subject to the Code and the Treasury Regulations, the Managing Member shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member' s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement. In exercising its discretion

under this Section 6.04(b), the Managing Member shall take into account future Regulatory Allocations that, although not yet made, are likely to offset other Regulatory Allocations previously made.

(c) Notwithstanding any other provisions of this Section 6.04, if, following the application of Sections 6.04(a) and 6.04(b), the Managing Member determines in its sole discretion that the allocation provisions in Sections 6.04(a) and 6.04(b) do not reflect the economic arrangements among the Members, then Net Profits and Net Losses shall, following the application of Sections 6.04(a) and 6.04(b), be allocated in the sole discretion of the Managing Member in a manner that the Managing Member concludes reflects the economic arrangements of the Members.

Section 6.05. *Allocation for Income Tax Purposes.*

(a) Except as provided in Section 6.05(b), 6.05(c) and 6.05(d), each item of income, gain, loss and deduction of the Company for U.S. federal income tax purposes shall be allocated among the Members in the same manner as such items are allocated for book purposes under Sections 6.03 and 6.04.

(b) The Members recognize that there may be a difference between the Book Value of a Company asset and the asset' s adjusted tax basis at the time of the property' s contribution or revaluation pursuant to this Agreement. In such a case, all items of tax depreciation, cost recovery, amortization, and gain or loss with respect to such asset shall be allocated among the Members to take into account the disparities between the Book Values and the adjusted tax basis with respect to such properties in accordance with the provisions of Sections 704(b) and 704(c) of the Code and the Treasury Regulations under those sections using the "traditional method" set forth in Treas. Reg. §1.704-3(b); *provided, however,* that any tax items not required to be allocated under Sections 704(b) or 704(c) of the Code shall be allocated in the same manner as such gain or loss would be allocated for book purposes under Sections 6.03 and 6.04. Items allocated under this Section 6.05(b) shall neither be credited nor charged to the Members' Capital Accounts.

(c) All items of income, gain, loss, deduction and credit allocated to the Members in accordance with the provisions hereof and basis allocations recognized by the Company for federal income tax purposes shall be determined without regard to any election under Section 754 of the Code that may be made by the Company; *provided, however,* such allocations, once made, shall be adjusted as necessary or appropriate to take into account the adjustments permitted by Sections 734 and 743 of the Code.

(d) If any deductions for depreciation, cost recovery or depletion are recaptured as ordinary income upon the sale or other disposition of Company properties, the ordinary income character of the gain from such sale or disposition shall be allocated among the Members in the same ratio as the deductions giving rise to such ordinary income character were allocated.

Section 6.06. *Other Allocation Rules*. All items of income, gain, loss, deduction and credit allocable to Membership Interests that have been transferred shall be allocated between the transferor and the transferee based on the portion of the calendar year during which each was recognized as the owner of such Membership Interests, without regard to the results of Company operations during any particular portion of that calendar year and without regard to whether cash distributions were made to the transferor or the transferee during that calendar year; *provided, however,* that this allocation must be made in accordance with a method permissible under Section 706 of the Code and the regulations thereunder.

Section 6.07. *Regulatory Compliance*. The foregoing provisions are intended to comply with Treas. Reg. § 1.704-1(b), and shall be interpreted and applied as provided in such Treasury Regulations. If the Managing Member shall determine that the manner in which the Capital Accounts or Adjusted Capital Accounts, or any increases or decreases thereto, are computed, or the manner in which any allocations are made under Sections 6.03 and 6.04, should be adjusted in order to comply with Sections 704(b) and 704(c) of the Code and Treasury Regulations thereunder, the Managing Member shall make such modifications, provided that the Managing Member shall not modify the manner of making distributions pursuant to this Agreement.

Section 6.08. *Certain Costs And Expenses*. The Company shall (a) pay, or cause to be paid, all costs, fees, operating expenses and other expenses of the Company (including the costs, fees and expenses of attorneys, accountants or other professionals and the compensation of all personnel providing services to the Company) incurred in pursuing and conducting, or otherwise related to, the business of the Company, and (b) in the sole discretion of the Managing Member, reimburse the Managing Member for any out-of-pocket costs, fees and expenses incurred by it in connection therewith. To the extent that the Managing Member reasonably determines in good faith that its expenses are related to the business conducted by the Company and/or its subsidiaries (including any good faith allocation of a portion of expenses that so relate to the business of the Company and/or its subsidiaries and that also relate to other businesses or activities of the Managing Member), then the Managing Member may cause the Company to pay or bear all such expenses of the Managing Member, including, costs of securities offerings not borne directly by Members, compensation and meeting costs of its board of directors, cost of periodic reports to its stockholders, litigation costs and damages arising from litigation, accounting and legal costs and franchise taxes (which are not based on, or measured by, income) *provided* that the Company shall not pay or bear any income tax obligations of the Managing Member; *provided further* that the payment of Tax Distributions to the Managing Member shall not be prevented by the foregoing. Payments under this Section 6.08 are intended to constitute reasonable compensation for past or present services and are not "distributions" within the meaning of §18-607 of the Delaware LLC Act.

ARTICLE 7
MANAGEMENT AND CONTROL OF BUSINESS

Section 7.01. *Management.* (a) The Members shall possess all rights and powers as provided in the Delaware LLC Act and otherwise by Applicable Law. Except as otherwise expressly provided for herein and subject to the other provisions of this Agreement, the Members hereby consent to the exercise by the Managing Member of all such powers and rights conferred on them by the Delaware LLC Act with respect to the management and control of the Company.

(b) Other than with respect to the actions described in Section 10.01(a), the Managing Member shall have the power and authority to delegate to one or more other Persons the Managing Member' s rights and powers to manage and control the business and affairs of the Company, including to delegate to agents and employees of a Member or the Company (including any officers thereof), and to delegate by a management agreement or another agreement with, or otherwise to, other Persons. The Managing Member may authorize any Person (including any Member or officer of the Company) to enter into and perform any document on behalf of the Company.

(c) The Managing Member shall have the power and authority to effectuate the sale, lease, transfer, exchange or other disposition of any, all or substantially all of the assets of the Company (including the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Company) or the merger, consolidation, reorganization or other combination of the Company with or into another entity.

Section 7.02. *Certain Covenants*. The Managing Member shall not, without the prior written consent of the Majority Holders, cause the merger of the Company with or into HII or any other Subsidiary thereof.

Section 7.03. *Investment Company Act.* The Managing Member shall use its best efforts to insure that the Company shall not be subject to registration as an investment company pursuant to the Investment Company Act.

ARTICLE 8
OFFICERS

Section 8.01. *Officers.* The officers of the Company shall be a Chief Executive Officer, a Treasurer and a Secretary, and unless determined otherwise by the Managing Member or the Chief Executive Officer, each other officer of HII shall also be an officer of the Company, with the same title. All officers shall be appointed by the Managing Member (or by the Chief Executive Officer to the extent the Managing Member delegates such authority to the Chief Executive Officer) and shall hold office until their successors are appointed by the Managing

Member (or by the Chief Executive Officer to the extent the Managing Member delegates such authority to the Chief Executive Officer). Two or more offices may be held by the same individual. The officers of the Company may be removed by the Managing Member (or by the Chief Executive Officer to the extent the Managing Member delegates such authority to the Chief Executive Officer) at any time for any reason or no reason.

Section 8.02. *Other Officers and Agents.* The Managing Member may appoint such other officers and agents as it may deem necessary or advisable, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Managing Member.

Section 8.03. *Chief Executive Officer.* The Chief Executive Officer shall be the chief executive officer of the Company and shall have the general powers and duties of supervision and management usually vested in the office of a chief executive officer of a company. He or she shall preside at all meetings of Members if present thereat. Except as the Managing Member shall authorize the execution thereof in some other manner, he or she shall execute bonds, mortgages and other contracts on behalf of the Company.

Section 8.04. *Treasurer.* The Treasurer shall have the custody of Company funds and securities and shall keep full and accurate account of receipts and disbursements in a book belonging to the Company. He or she shall deposit all moneys and other valuables in the name and to the credit of the Company in such depositaries as may be designated by the Managing Member or the Chief Executive Officer. The Treasurer shall disburse the funds of the Company as may be ordered by the Managing Member or the Chief Executive Officer, taking proper vouchers for such disbursements. He or she shall render to the Managing Member and the Chief Executive Officer whenever either of them may request it, an account of all his or her transactions as Treasurer and of the financial condition of the Company. If required by the Managing Member, the Treasurer shall give the Company a bond for the faithful discharge of his or her duties in such amount and with such surety as the Managing Member shall prescribe.

Section 8.05. *Secretary.* The Secretary shall give, or cause to be given, notice of all meetings of Members and all other notices required by Applicable Law or by this Agreement, and in case of his or her absence or refusal or neglect so to do, any such notice may be given by any person thereunto directed by the Chief Executive Officer, or by the Managing Member. He or she shall record all the proceedings of the meetings of the Company in a book to be kept for that purpose, and shall perform such other duties as may be assigned to him or her by the Managing Member or by the Chief Executive Officer.

Section 8.06. *Other Officers.* Other officers, if any, shall have such powers and shall perform such duties as shall be assigned to them, respectively, by the Managing Member or by the Chief Executive Officer.

ARTICLE 9

TRANSFERS OF INTERESTS; ADMITTANCE OF NEW MEMBERS

Section 9.01. *Transfer of Membership Interests.* Other than as provided for below in this Section 9.01 or in Section 9.02, no Member may sell, assign, transfer, grant a participation in, pledge, hypothecate, encumber or otherwise dispose of (such transaction being herein collectively called a "**Transfer**") all or any portion of its Membership Interest except with the written consent of the Managing Member, which may be granted or withheld in its sole discretion. Without the consent of the Managing Member (but otherwise in compliance with Sections 9.01 and 9.02), a Member may, at any time, (a) Transfer any portion of such Member' s Membership Interest pursuant to the Exchange Agreement, and (b) Transfer any portion of such Member' s Membership Interest to a Permitted Transferee of such Member. Any Transfer of Series B Membership Interests to a Permitted Transferee of such Member must be accompanied by the transfer of an equal number of corresponding Class B Shares to such Permitted Transferee. Any purported Transfer of all or a portion of a Member' s Membership Interest not complying with this Section 9.01 shall be void *ab initio* and shall not create any obligation on the part of the Company or the other Members to recognize that purported Transfer or to recognize the Person to which the Transfer purportedly was made as a Member. A Person acquiring a Member' s Membership Interest pursuant to this Section 9.01 shall not be admitted as a substituted or additional Member except in accordance with the requirements of Section 9.03, but such Person shall, to the extent of the Membership Interest transferred to it, be entitled to such Member' s (i) share of distributions, (ii) share of profits and losses, including Net Profits and Net Losses, and (iii) Capital Account in accordance with Section 6.01(a). Notwithstanding anything in this Section 9.01 or elsewhere in this Agreement to the contrary, if a Member Transfers all or any portion of its Membership Interest after the designation of a record date and declaration of a distribution pursuant to Section 5.01 and before the payment date of such distribution, the transferring Member (and not the Person acquiring all or any portion of its Membership Interest) shall be entitled to receive such distribution in respect of such transferred Membership Interest.

Section 9.02. *Transfer of HII' s Interest.* HII may not Transfer all or any portion of its Membership Interest held in the form of Series A Membership Interests at any time.

Section 9.03. *Recognition of Transfer; Substituted and Additional Members.* (a) No direct or indirect Transfer of all or any portion of a Member' s Membership Interest may be made, and no purchaser, assignee, transferee or other recipient of all or any part of such Membership Interest shall be admitted to the Company as a substituted or additional Member hereunder, unless:

(i) the provisions of Section 9.01 or Section 9.02, as applicable, shall have been complied with;

(ii) in the case of a proposed substituted or additional Member (other than a Permitted Transferee described in clauses (i) through (v) of the definition thereof) that is

(i) a competitor or potential competitor of HII, the Company or their Subsidiaries, (ii) a Person with whom the HII, the Company or their Subsidiaries has had or is expected to have a material commercial or financial relationship or (iii) likely to subject HII, the Company or their Subsidiaries to any material legal or regulatory requirement or obligation, or materially increase the burden thereof, in each case as determined by the Managing Member in its sole discretion, the admission of the purchaser, assignee, transferee or other recipient as a substituted or additional Member shall have been approved by the Managing Member;

(iii) the Managing Member shall have been furnished with the documents effecting such Transfer, in form and substance reasonably satisfactory to the Managing Member, executed and acknowledged by both the seller, assignor or transferor and the purchaser, assignee, transferee or other recipient, and the Managing Member shall have executed (and the Managing Member hereby agrees to execute) any other documents on behalf of itself and the Members required to effect the Transfer;

(iv) the provisions of Section 9.03(b) shall have been complied with;

(v) the Managing Member shall be reasonably satisfied that such Transfer will not (A) result in a violation of the Securities Act or any other Applicable Law; or (B) cause an assignment under the Investment Company Act;

(vi) such Transfer would not cause the Company to lose its status as a partnership for federal income tax purposes and, without limiting the generality of the foregoing, such Transfer shall not be effected on or through an "established securities market" or a "secondary market or the substantial equivalent thereof," as such terms are used in Section 1.7704-1 of the Treasury Regulations;

(vii) the Managing Member shall have received the opinion of counsel, if any, required by Section 9.03(c) in connection with such Transfer; and

(viii) all necessary instruments reflecting such Transfer and/or admission shall have been filed in each jurisdiction in which such filing is necessary in order to qualify the Company to conduct business or to preserve the limited liability of the Members.

(b) Each substituted Member and additional Member shall be bound by all of the provisions of this Agreement. Each substituted Member and additional Member, as a condition to its admission as a Member, shall execute and acknowledge such instruments (including a counterpart of this Agreement or a joinder agreement in customary form), in form and substance reasonably satisfactory to the Managing Member, as the Managing Member reasonably deems necessary or desirable to effectuate such admission and to confirm the agreement of such substituted or additional Member to be bound by all the terms and provisions of this Agreement with respect to the Membership Interest acquired by such substituted or additional Member. The

admission of a substituted or additional Member shall not require the consent of any Member other than the Managing Member (if and to the extent such consent of the Managing Member is expressly required by this Article 9). As promptly as practicable after the admission of a substituted or additional Member, the books and records of the Company and Exhibit A shall be changed to reflect such admission.

(c) As a further condition to any Transfer of all or any part of a Member' s Membership Interest, the Managing Member may, in its discretion, require a written opinion of counsel to the transferring Member reasonably satisfactory to the Managing Member, obtained at the sole expense of the transferring Member, reasonably satisfactory in form and substance to the Managing Member, as to such matters as are customary and appropriate in transactions of this type, including, without limitation (or, in the case of any Transfer made to a Permitted Transferee, limited to an opinion) to the effect that such Transfer will not result in a violation of the registration or other requirements of the Securities Act or any other federal or state securities laws. No such opinion, however, shall be required in connection with a Transfer made pursuant to the Exchange Agreement.

Section 9.04. *Expense of Transfer; Indemnification.* All reasonable costs and expenses incurred by the Managing Member and the Company in connection with any Transfer of a Member' s Membership Interest, including any filing and recording costs and the reasonable fees and disbursements of counsel for the Company, shall be paid by the transferring Member. In addition, the transferring Member hereby indemnifies the Managing Member and the Company against any losses, claims, damages or liabilities to which the Managing Member, the Company, or any of their Affiliates may become subject arising out of or based upon any false representation or warranty made by, or breach or failure to comply with any covenant or agreement of, such transferring Member or such transferee in connection with such Transfer.

Section 9.05. *Exchange Agreement.* In connection with any Transfer of any portion of a Member' s Membership Interest pursuant to the Exchange Agreement, the Managing Member shall cause the Company to take any action as may be required under the Exchange Agreement or requested by any party thereto to effect such Transfer promptly.

Section 9.06. *Recapitalization.* Upon any Transfer to HII of any Series B Membership Interests from HPI, HPIS or their successors and assigns in connection with an exercise by the IPO Underwriters of their over-allotment option to purchase Optional Securities pursuant to Section 3 of the IPO Underwriting Agreement, such Series B Membership Interests shall immediately be recapitalized into Series A Membership Interests.

ARTICLE 10

DISSOLUTION AND TERMINATION

Section 10.01. *Dissolution.*

(a) The Company shall be dissolved and its affairs wound up upon the occurrence of any of the following events:

(i) an election by the Managing Member to dissolve, wind up or liquidate the Company;

(ii) the sale, disposition or transfer of all or substantially all of the assets of the Company;

(iii) the entry of a decree of dissolution of the Company under §18-802 of the Delaware LLC Act; or

(iv) at any time there are no members of the Company, unless the Company is continued in accordance with the Delaware LLC Act.

(b) In the event of a dissolution pursuant to Section 10.01(a), the relative economic rights of each class of Membership Interests immediately prior to such dissolution shall be preserved to the greatest extent practicable with respect to distributions made to Members pursuant to Section 10.01(f) in connection with such dissolution, taking into consideration tax and other legal constraints that may adversely affect one or more parties to such dissolution and subject to compliance with Applicable Laws.

(c) Dissolution of the Company shall be effective on the day on which the event occurs giving rise to the dissolution, but the Company will not terminate until the assets of the Company have been distributed as provided in this Section 10.01 and any filings required by the Delaware LLC Act have been made.

(d) Upon dissolution, the Company shall be liquidated and wound up in an orderly manner in accordance with the provisions of this Section 10.01. The Managing Member or a Person selected by the Managing Member to act as liquidating trustee, shall wind up the affairs of the Company pursuant to this Agreement. The Managing Member or liquidating trustee, as applicable, is authorized, subject to the Delaware LLC Act, to sell, exchange or otherwise dispose of the assets of the Company, or to distribute Company assets in kind, as the Managing Member or liquidating trustee shall determine to be in the best interests of the Members. The reasonable out-of-pocket expenses incurred by the Managing Member or liquidating trustee in connection with winding up the Company (including legal and accounting fees and expenses), all other liabilities or losses of the Company or the Managing Member or liquidating trustee incurred in accordance with the terms of this Agreement, and reasonable compensation for the services of the liquidating trustee shall be borne by the Company. Except as otherwise required by law and except in connection with any gross negligence or willful misconduct of the Managing Member or liquidating trustee, the Managing Member or liquidating trustee shall not be liable to any Member or the Company for any loss attributable to any act or omission of the Managing Member or liquidating trustee taken in good faith in connection with the winding up

of the Company and the distribution of Company assets. The Managing Member or liquidating trustee may consult with counsel and accountants with respect to winding up the Company and distributing its assets and shall be justified in acting or omitting to act in accordance with the advice or opinion of such counsel or accountants, provided that the Managing Member or liquidating trustee shall have used reasonable care in selecting such counsel or accountants.

(e) Upon dissolution of the Company, the expenses of liquidation (including compensation for the services of the liquidating trustee and legal and accounting fees and expenses) and the Company' s liabilities and obligations to creditors shall be paid, or reasonable provisions shall be made for payment thereof, in accordance with Applicable Law, from cash on hand or from the liquidation of Company properties.

(f) A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets pursuant to this Section 10.01 to minimize any losses otherwise attendant upon such winding up. Notwithstanding the generality of the foregoing, within 180 calendar days after the effective date of dissolution of the Company, the assets of the Company shall be distributed in the following manner and order: (i) all debts and obligations of the Company, if any, shall first be paid, discharged or provided for by adequate reserves; and (ii) the balance shall be distributed to the Members in accordance with Section 5.01.

(g) The Managing Member or liquidating trustee shall not be personally liable for the return of Capital Contributions or any portion thereof to the Members (it being understood and agreed that any such return shall be made solely from Company assets).

Section 10.02. *Termination.* The Company shall terminate when all of the assets of the Company, after payment or reasonable provision for the payment of all debts, liabilities and obligations of the Company, shall have been distributed in the manner provided for in this Article 10 and the Certificate shall have been canceled in the manner required by the Delaware LLC Act.

ARTICLE 11
EXCULPATION AND INDEMNIFICATION

Section 11.01. *Exculpation*. To the fullest extent permitted by Applicable Law, and except as otherwise expressly provided herein, no Indemnitee shall be liable to the Company or any other Indemnitee for any Losses, which at any time may be imposed on, incurred by, or asserted against, the Company or any other Indemnitee as a result of or arising out of the activities of the Indemnitee on behalf of the Company to the extent within the scope of the authority reasonably believed by such Indemnitee to be conferred on such Indemnitee, except to the extent such Losses arise out of (i) the Indemnitee' s failure to act in good faith and in a manner such Indemnitee believed to be in, or not opposed to, the best interests of the Company,

and, with respect to any criminal proceeding, the Indemnitee' s not having any reasonable cause to believe such conduct was unlawful, (ii) the Indemnitee' s material breach of this Agreement or any other Transaction Document, or (iii) the Indemnitee' s gross negligence or willful misconduct.

Section 11.02. *Indemnification.* To the fullest extent permitted by Applicable Law, each of (a) the Members, the Managing Member and their respective Affiliates, (b) the stockholders, members, managers, directors, officers, partners, employees and agents of the Members and the Managing Member and their respective Affiliates, and (c) the officers of the Company (each, an "**Indemnitee**") shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, liabilities, expenses (including legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative (collectively, "**Losses**"), which at any time may be imposed on, incurred by, or asserted against, the Indemnitee as a result of or arising out of this Agreement, the Company, its assets, business or affairs or the activities of the Indemnitee on behalf of the Company to the extent within the scope of the authority reasonably believed to be conferred on such Indemnitee; *provided, however*, that the Indemnitee shall not be entitled to indemnification for any Losses to the extent such Losses arise out of (i) the Indemnitee' s failure to act in good faith and in a manner such Indemnitee believed to be in, or not opposed to, the best interests of the Company, and, with respect to any criminal proceeding, the Indemnitee' s not having any reasonable cause to believe such conduct was unlawful, (ii) the Indemnitee' s material breach of this Agreement or any other Transaction Document, or (iii) the Indemnitee' s gross negligence or willful misconduct. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not, of itself, create a presumption that the Indemnitee acted in a manner specified in clause (i), (ii) or (iii) above. Any indemnification pursuant to this Article 11 shall be made only out of the assets of the Company and no Member shall have any personal liability on account thereof.

Section 11.03. *Expenses.* Expenses (including reasonable legal fees and expenses) incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding described in Section 11.02 shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding, upon receipt by the Company of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall be determined that the Indemnitee is not entitled to be indemnified as provided in this Article 11.

Section 11.04. *Non-Exclusivity.* The indemnification and advancement of expenses set forth in this Article 11 shall not be exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, the Delaware LLC Act, this Agreement, any other agreement, a policy of insurance or otherwise. The indemnification and advancement of expenses set forth in this Article 11 shall continue as to an Indemnitee who has ceased to be a named Indemnitee and shall inure to the benefit of the heirs, executors, administrators, successors and permitted assigns of such a Person.

Section 11.05. *Insurance.* The Company may purchase and maintain insurance on behalf of the Indemnitees against any liability asserted against them and incurred by them in such capacity, or arising out of their status as Indemnitees, whether or not the Company would have the power to indemnify them against such liability under this Article 11.

ARTICLE 12
ACCOUNTING AND RECORDS; TAX MATTERS

Section 12.01. *Accounting and Records.* The books and records of the Company shall be made and maintained, and the financial position and the results of its operations recorded, at the expense of the Company, in accordance with such method of accounting as is determined by the Managing Member. The books and records of the Company shall reflect all Company transactions and shall be made and maintained in a manner that is appropriate and adequate for the Company' s business.

Section 12.02. *Tax Returns.* The Company shall prepare and timely file all U.S. federal, state and local and foreign tax returns required to be filed by the Company. Unless otherwise agreed by the Managing Member, any income tax return of the Company shall be prepared by an independent public accounting firm of recognized national standing selected by the Managing Member. Each Member shall furnish to the Company all pertinent information in its possession relating to the Company' s operations that is necessary to enable the Company' s tax returns to be timely prepared and filed. The Company shall deliver to each Member as soon as practicable, but in any event within 180 days, after the end of the applicable Fiscal Year, a Schedule K-1 together with such additional information as may be required by the Members in order to file their individual returns reflecting the Company' s operations. The Company shall bear the costs of the preparation and filing of its tax returns.

Section 12.03. *Tax Partnership.* Neither the Company nor any Member shall make an election for the Company to be excluded from the application of the provisions of subchapter K of chapter 1 of subtitle A of the Code or any similar provisions of applicable state law or to be classified as other than a partnership pursuant to Treas. Reg. §301.7701-3.

Section 12.04. *Tax Elections*. The Managing Member shall, on behalf of the Company, make the following elections on the appropriate forms or tax returns:

(a) to adopt the calendar year as the Company' s taxable year or Fiscal Year, if permitted under the Code;

(b) to adopt the accrual method of accounting and to keep the Company' s books and records on the U.S. federal income tax method;

(c) to elect to amortize the organizational expenses of the Company as permitted by Section 709(b) of the Code;

(d) as required by the Tax Receivable Agreement, to make an election under Section 754 of the Code with respect to the Company (and to cause each Subsidiary Partnership to make such an election under Section 754 of the Code), which elections shall be in effect for each Fiscal Year in which any Member Transfers Series B Membership Interests pursuant to the Exchange Agreement; and

(e) any other election the Managing may deem appropriate and in the best interests of the Members.

Section 12.05. *Tax Matters Member*.

(a) The Managing Member shall be the "tax matters partner" of the Company as defined in Section 6231(a)(7) of the Code (the "**Tax Matters Member**"). The Tax Matters Member shall take such action as may be necessary to cause to the extent possible each other Member to become a notice partner within the meaning of Section 6231 (a)(8) of the Code. The Tax Matters Member shall inform each other Member of all significant matters that may come to its attention in its capacity as Tax Matters Member by giving notice thereof on or before the fifth day after becoming aware thereof and, within that time, shall forward to each other Member copies of all significant written communications it may receive in that capacity.

(b) Any cost or expense incurred by the Tax Matters Member in connection with its duties, including the preparation for or pursuance of administrative or judicial proceedings, shall be paid by the Company.

(c) Any Member that enters into a settlement agreement with respect to any partnership item (within the meaning of Section 6231(a)(3) of the Code) shall notify the other Members of such settlement agreement and its terms within 90 days from the date of the settlement.

(d) No Member shall file a request pursuant to Section 6227 of the Code for an administrative adjustment of partnership items for any taxable year without first notifying the other Members. If the Managing Member consents to the requested adjustment, the Tax Matters Member shall file the request for the administrative adjustment on behalf of the Members. If such consent is not obtained within 30 days from such notice, or within the period required to timely file the request for administrative adjustment, if shorter, any Member, including the Tax Matters Member, may file a request for administrative adjustment on its own behalf. Any Member intending to file a petition under Sections 6226 or 6228 of the Code or other Section of the Code with respect to any item involving the Company shall notify the other Members of such intention and the nature of the contemplated proceeding. In the case where the Tax Matters Member is the Member intending to file such petition on behalf of the Company, such notice shall be given within a reasonable period of time to allow the other Members to participate in the choosing of the forum in which such petition will be filed.

(e) If any Member intends to file a notice of inconsistent treatment under Section 6222(b) of the Code, such Member shall give reasonable notice under the circumstances to the other Members of such intent and the manner in which the Member' s intended treatment of an item is (or may be) inconsistent with treatment of that item by the other Members.

ARTICLE 13
ARBITRATION

The Members shall attempt in good faith to resolve all claims, disputes and other disagreements arising hereunder or under the Exchange Agreement (each, a "**Dispute**") by negotiation. If a Dispute cannot be resolved in such manner, such Dispute shall, at the request of any party, after providing written notice to the other parties to the Dispute, be submitted to arbitration in The City of New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceeding shall be confidential. The party initially asserting the Dispute (the "**Initiating Party**") shall notify the other party (the "**Responding Party**") of the name and address of the arbitrator chosen by the Initiating Party and shall specifically describe the Dispute in issue to be submitted to arbitration. Within 30 days of receipt of such notification, the Responding Party shall notify the Initiating Party of its answer to the Dispute, any counterclaim which it wishes to assert in the arbitration and the name and address of the arbitrator chosen by the Responding Party. If the Responding Party does not appoint an arbitrator during such 30-day period, appointment of the second arbitrator shall be made by the American Arbitration Association upon request of the Initiating Party. The two arbitrators so chosen or appointed shall choose a third arbitrator, who shall serve as president of the panel of arbitrators (the "**Panel**") thus composed. If the two arbitrators so chosen or appointed fail to agree upon the choice of a third arbitrator within 30 days from the appointment of the second arbitrator, the third arbitrator will be appointed by the American Arbitration Association upon the request of the arbitrators or either of the parties. In all cases, the arbitrators must be persons who are knowledgeable about, and have recognized ability and experience in dealing with, the subject matter of the Dispute. The arbitrators will act by majority decision. Any decision of the arbitrators shall (a) be rendered in writing and shall bear the signatures of at least two arbitrators, and (b) identify the members of the Panel. Absent fraud or manifest error, any such decision of the Panel shall be final, conclusive and binding on the parties to the arbitration and enforceable by a court of competent jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration; *provided*, *however*, that each party shall pay for and bear the costs of its own experts, evidence and legal counsel, unless the arbitrator rules otherwise in the arbitration. The parties shall complete all discovery within 30 days after the Panel is composed, shall complete the presentation of evidence to the Panel within 15 days after the completion of discovery, and a final decision with respect to the matter submitted to arbitration shall be rendered within 15 days after the completion of presentation of evidence. The parties shall cause to be kept a record of the proceedings of any matter submitted to arbitration hereunder.

ARTICLE 14
MISCELLANEOUS PROVISIONS

Section 14.01. *Entire Agreement.* This Agreement and the other Transaction Documents constitute the entire agreement and understanding by the Members and the Company with respect to the subject matter hereof and supersede any prior agreement or understanding by the Members with respect to such subject matter.

Section 14.02. *Binding on Successors.* This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 14.03. *Managing Member's Business.* HII, as the sole Managing Member of the Company, hereby agrees that it (a) will not conduct any business other than the management and ownership of the Company and its Subsidiaries and (b) shall not own any other assets (other than on a temporary basis). Notwithstanding the foregoing, HII may take such actions and own such assets as are necessary or appropriate to comply with Applicable Law, including compliance with its responsibilities as a public company under the U.S. federal securities laws, incur indebtedness and take any other action or own any other asset that the board of directors of HII determines in good faith is in the best interest of the Company.

Section 14.04. *Debt or Equity Financing.* HII shall not dividend or distribute to its stockholders all or any portion of the proceeds of any debt or equity financing (including a financing involving any equity-linked securities); *provided*, however, that HII may use the proceeds of a financing involving solely the issuance of common stock of HII to repurchase other common stock held by a stockholder of HII as long as such repurchase is done at a price that does not exceed the gross price per share of common stock issued in such financing.

Section 14.05. *Governing Law.* This Agreement and the rights of the parties hereunder will be governed by, construed and enforced in accordance with the laws of the State of Delaware without regard to conflicts of law principles thereof.

Section 14.06. *Headings.* All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 14.07. *Severability.* If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held illegal, invalid or unenforceable, the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby.

Section 14.08. *Notices.* All notices, requests, consents and other communications hereunder (each, a "**Notice**") to the Company or any Member shall be in writing and shall be delivered in person or sent by facsimile (provided a copy is thereafter promptly delivered as provided in this Section 14.08) or nationally recognized overnight courier, addressed to such Member at the address or facsimile number set forth in Exhibit A hereto, or below with respect to the Company, or such other address or facsimile number as may hereafter be designated in writing by such party to the other parties:

If to the Company, to:

Health Plan Intermediaries Holdings, LLC
15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Facsimile No.: (877) 376-5832
Attention: General Counsel

with a copy (which shall not constitute notice to the Company) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Telephone: (212) 450-4125
Facsimile: (212) 701-5125
Attention: Deanna Kirkpatrick

Each Notice shall be deemed received on the date sent to the recipient thereof in accordance with this Section 14.08, if sent prior to 5:00 p.m. in the place of receipt and such day is a Business Day; otherwise, such Notice shall be deemed not to have been received until the next succeeding Business Day.

Section 14.09. *Amendments.* This Agreement may be amended (including, for purposes of this Section 14.09, any amendment effected directly or indirectly by way of a merger or consolidation of the Company) or waived, in whole or in part, by the Managing Member; *provided*, *however*, that (i) to the extent any amendment or waiver, including any amendment or waiver of the Exhibits attached hereto, would disproportionately and adversely affect the rights of any Member holding Series B Membership Interests compared with the rights of any other Member holding Series B Membership Interests, such amendment or waiver may only be made by the Managing Member upon the prior written consent of such disproportionately and

adversely affected Member, (ii) to the extent any amendment or waiver, including any amendment or waiver of the Exhibits attached hereto, would disproportionately and adversely affect the rights of holders of Series B Membership Interests compared with the rights of holders of Series A Membership Interests or any other series or class of Membership Interest, such amendment or waiver may only be made by the Managing Member upon the prior written consent of the Majority Holders, and (iii) the following provisions may not be amended by the Managing Member in any manner adverse to a Member holding Series B Membership Interests without the prior written consent of the Majority Holders: Section 5.01, Section 5.02, Article 6, Section 7.02, Section 9.03(a)(vi), Section 12.02, Section 12.03, Section 12.04(d) and Section 14.04.

Section 14.10. *Consent to Jurisdiction.* Subject to Article 13, the parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought and maintained exclusively in the United States District Court for the Southern District of New York or the Supreme Court of the State of New York located in the County of New York. Each of the parties irrevocably consents to submit to the personal jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding. Process in any such suit, action or proceeding in such courts may be served, and shall be effective, on any party anywhere in the world, whether within or without the jurisdiction of any such court, by any of the methods specified for the giving of Notices pursuant to Section 14.08. Each of the parties irrevocably waives, to the fullest extent permitted by law, any objection or defense that it may now or hereafter have based on venue, inconvenience of forum, the lack of personal jurisdiction and the adequacy of service of process (as long as the party was provided Notice in accordance with the methods specified in Section 14.08) in any suit, action or proceeding brought in such courts.

Section 14.11. *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

[Signature pages follow]

IN WITNESS WHEREOF, HII, the Company and the Members named below have duly executed this Agreement as of the date first written above.

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

By: _____
Name:
Title:

HEALTH PLAN INTERMEDIARIES, LLC

By: _____
Name:
Title:

HEALTH PLAN INTERMEDIARIES SUB, LLC

By: Health Plan Intermediaries, LLC, its sole member

By: _____
Name:
Title:

HEALTH INSURANCE INNOVATIONS, INC.

By: _____
Name:
Title:

Exhibit A

Name and Address of Member	Number of Series A Membership Interests	Number of Series B Membership Interests	Percentage Interest
Health Insurance Innovations, Inc. 15438 N. Florida Avenue, Suite 201 Tampa, Florida, 33613	[–]	0	[–]
Health Plan Intermediaries Sub, Inc. 15438 N. Florida Avenue, Suite 201 Tampa, Florida, 33613	0	[–]	[–]
Health Plan Intermediaries, Inc. 15438 N. Florida Avenue, Suite 201 Tampa, Florida, 33613	0	[–]	[–]
Total	[–]	[–]	100%

Exhibit 10.5

FORM OF TAX RECEIVABLE AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

and

SERIES B MEMBERS OF HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

Dated as of , 2013

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ARTICLE 7

MISCELLANEOUS

TAX RECEIVABLE AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

and

SERIES B MEMBERS OF HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

TAX RECEIVABLE AGREEMENT, dated as of , 2013 (this "**Agreement**"), among Health Insurance Innovations, Inc., a Delaware corporation ("**HII**"), Health Plan Intermediaries Holdings, LLC, a Delaware limited liability company (the "**Company**") and each of the undersigned parties hereto identified as "**Series B Members**." Capitalized terms used but not otherwise defined are defined in or by reference to Section 1.01.

W I T N E S S E T H:

WHEREAS, the Series B Members hold Series B membership interests ("**Series B Membership Interests**") in the Company, which is treated as a partnership for United States federal income tax purposes;

WHEREAS, HII is the managing member of, and holds and will hold Series A membership interests ("**Series A Membership Interests**") in, the Company;

WHEREAS, the Series B Membership Interests (together with the Class B Shares) are exchangeable for HII' s class A common stock, par value $0.001 per share ("**Class A Shares**");

WHEREAS, Health Plan Intermediaries, LLC may sell certain of the Class B Membership Interests (together with Class B Shares) to HII in exchange for cash raised by HII in the IPO (the "**IPO Sale**");

WHEREAS, the Company and each of its direct and indirect subsidiaries that is treated as a partnership for United States federal income tax purposes has or will have in effect a Section 754 Election, for each Taxable Year in which an exchange of Series B Membership Interests (together with Class B Shares) for Class A Shares occurs, which election is intended to result in an adjustment to the Tax basis of the assets owned by the Company and such subsidiaries (solely to the extent allocated to HII) at the time (each such time, an "**Exchange Date**") of an exchange of Series B Membership Interests (together with the Class B Shares) for

Class A Shares or any other deemed or actual acquisition of Series B Membership Interests by HII for cash or otherwise, including the IPO Sale, if applicable, (each such exchange or acquisition, an "**Exchange**") by reason of such Exchange and the payments under this Agreement;

WHEREAS, the income, gain, loss, expense and other Tax items of HII, as a member of the Company (and in respect of each of the Company' s direct and indirect subsidiaries treated as a disregarded entity or a partnership for U.S. federal income tax purposes) may be affected by the Basis Adjustment, and the income, gain, loss, expense and other Tax items of HII may be affected by the Imputed Interest; and

WHEREAS, the parties to this Agreement desire to make certain arrangements with respect to the effect of the Basis Adjustment and the Imputed Interest on the actual liability for Taxes of HII;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions.* As used in this Agreement, the following terms have the following meanings:

"**Advisory Firm**" means Ernst and Young or any other law or accounting firm that is a nationally recognized as being expert in Tax matters and that is appointed by the Board.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

"**Agreed Rate**" means LIBOR.

"**Agreement**" is defined in the preamble.

"**Amended Schedule**" is defined in Section 2.03(b) of this Agreement.

"**Applicable Law**" means, to the extent applicable to HII, the Company or their activities or any Series B Member, as applicable: (a) all U.S. federal and state statutes and laws and all statutes and laws of foreign countries; (b) all rules and regulations (including interpretations thereof) of all regulatory agencies, organizations and bodies; and (c) all rules and regulations (including interpretations thereof) of all self-regulatory agencies, organizations and bodies now or hereafter in effect.

"**Applicable Series B Member**" means in respect of that portion of any Tax Benefit Payment that relates to an Exchange or a deemed Exchange pursuant to clause (5) of the definition of "**Valuation Assumptions**," the Exchanging Series B Member or Series B Member deemed to Exchange, as applicable.

"**Basis Adjustment**" means the adjustment to the Tax basis of an Exchange Asset as a result of (x) an Exchange or (y) the payments made pursuant to this Agreement, in each case, under, or under the principles of, Sections 732(b) and 1012 of the Code (in situations where, as a result of one or more Exchanges, the Company becomes an entity that is disregarded as separate from its owner for U.S. federal income tax purposes), or Sections 743(b) and 754 of the Code (including in situations where, following an Exchange, the Company remains in existence as an entity for U.S. federal income tax purposes) and, in each case, comparable sections of state and local tax laws. Notwithstanding any other provision of this Agreement, the amount of any Basis Adjustment (a "**Basis Adjustment Amount**") resulting from an Exchange of one or more Series B Membership Interests (together with the Class B Shares) shall be determined without regard to any Pre-Exchange Transfer of such Series B Membership Interests (together with the Class B Shares) and as if any such Pre-Exchange Transfer had not occurred. For the avoidance of doubt, payments under this Agreement shall not be treated as resulting in a Basis Adjustment to the extent such payments are treated as Imputed Interest.

A "**Beneficial Owner**" means, with respect to a security, any Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of, such security and/or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security. The terms "**Beneficially Own**" and "**Beneficial Ownership**" shall have correlative meanings.

"**Board**" means the board of directors of HII.

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks in Tampa, Florida or New York City, New York are authorized by law to close.

"**Change in Tax Law**" is defined in Section 7.14 of this Agreement.

"**Change of Control**" means the occurrence of any of the following events:

(i) any Person, or any group of Persons acting together that would constitute a "group" for purposes of Section 13(d) of the Securities and Exchange Act of 1934 or any successor

provisions thereto, becomes the Beneficial Owner, directly or indirectly, of securities of HII representing more than fifty percent (50%) of the combined voting power of HII' s then-outstanding voting securities; or

(ii) the following people cease for any reason to constitute a majority of the number of directors of HII then serving: people who, on the date of the consummation of the IPO, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to an election of directors of HII) whose appointment or election by the Board or nomination for election by HII' s stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date of the consummation of the IPO or whose appointment, election or nomination for election was previously so approved or recommended by the directors referred to in this clause (ii); or

(iii) there is consummated a merger or consolidation of HII with any other corporation or other entity, and, immediately after the consummation of such merger or consolidation, either (x) members of the Board immediately prior to the merger or consolidation do not constitute at least a majority of the board of directors of the company surviving the merger or, if the surviving company is a subsidiary, the ultimate parent thereof, or (y) all of the Persons who were the respective Beneficial Owners of the voting securities of HII immediately prior to such merger or consolidation do not Beneficially Own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the Person resulting from such merger or consolidation; or

(iv) the stockholders of HII approve a plan of complete liquidation or dissolution of HII or there is consummated an agreement or series of related agreements for the sale or other disposition, directly, or indirectly, by HII of all or substantially all of HII' s assets, other than such sale or other disposition by HII of all or substantially all of HII' s assets to an entity, at least fifty percent (50%) of the combined voting power of which is owned by stockholders of HII in substantially the same proportions as their voting power of HII immediately prior to such sale.

Notwithstanding the foregoing, except with respect to clause (ii) and clause (iii)(x) above, a "**Change of Control**" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the shares of capital stock of HII immediately prior to such transaction or series of transactions continue to have substantially the same proportionate voting power in an entity which owns all or substantially all of the assets of HII immediately following such transaction or series of transactions.

"**Change Notice**" is defined in Section 6.01(b) of this Agreement.

"**Class A Shares**" is defined in the recitals.

"**Class B Shares**" means HII' s class B common stock, par value $0.001 per share.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Control**" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"**Corporation Return**" means the U.S. federal and/or state and/or local Tax Return, as applicable, of HII filed with respect to Taxes for any Taxable Year.

"**Cumulative Net Realized Tax Benefit**" for a Taxable Year means the cumulative amount (but not less than zero) of Realized Tax Benefits for all Taxable Years of HII, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

"**Default Rate**" means LIBOR plus 300 basis points.

"**Determination**" shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state and local Tax law, as applicable, or any other event (including the execution of an IRS Form 870-AD or similar state or local form) that finally and conclusively establishes the amount of any liability for Tax.

"**Dispute**" is defined in Section 7.08(a) of this Agreement.

"**Early Termination Date**" means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

"**Early Termination Notice**" is defined in Section 4.02 of this Agreement.

"**Early Termination Schedule**" is defined in Section 4.02 of this Agreement.

"**Early Termination Payment**" is defined in Section 4.03(b) of this Agreement.

"**Early Termination Rate**" means LIBOR.

"**Excess Payment**" is defined in Section 3.01(c) of this Agreement.

"**Exchange**" is defined in the recitals; "**Exchanged**" and "**Exchanging**" shall have correlative meanings.

"**Exchange Asset**" means each asset that is held by the Company, or by any of its direct or indirect subsidiaries treated as a partnership or disregarded entity for purposes of the applicable Tax, at the time of an Exchange.

"**Exchange Basis Schedule**" is defined in Section 2.01 of this Agreement.

"**Exchange Date**" is defined in the recitals.

"**Exchange Payment**" is defined in Section 5.01 of this Agreement.

"**Expert**" is defined in Section 7.09 of this Agreement.

"**HII**" is defined in the preamble.

"**Hypothetical Tax Liability**" means, with respect to any Taxable Year, the liability for income Taxes of HII or any consolidated group of which HII is a member (or, without duplication, the Company, but only with respect to HII' s pro rata share of the Company' s income Tax liability for such Taxable Year determined using the same methods, elections, conventions and similar practices used on the Corporation Return for such Taxable Year) as would be shown on its Tax Return (including any consolidated return in which HII joins) but determined (i) using the Non-Stepped Up Tax Basis of the Exchange Assets as reflected on the Exchange Basis Schedule, including amendments thereto, for the Taxable Year instead of the Tax basis of the Exchange Assets reflecting the Basis Adjustments and (ii) excluding any deduction attributable to Imputed Interest for the Taxable Year. Hypothetical Tax Liability shall be determined without taking into account the carryover or carryback of any Tax item (or portions thereof) that is attributable to any Basis Adjustment or to the Imputed Interest.

"**Imputed Interest**" shall mean any interest imputed under Section 1272, Section 1274 or Section 483 or other provision of the Code and any similar provision of state and local Tax law applicable with respect to HII' s payment obligations under this Agreement.

"**Interest Amount**" is defined in Section 3.01(b) of this Agreement.

"**IPO**" means the initial public offering of Class A Shares by HII.

"**IPO Sale**" is defined in the recitals.

"**IRS**" means the U.S. Internal Revenue Service.

"**LIBOR**" means for each month (or portion thereof) during any period, an interest rate per annum equal to the rate per annum reported, on the date two calendar days prior to the first day of such month, on Reuters Screen LIBOR01 Page (or if such screen shall cease to be publicly available, as reported by any other publicly available source of such market rate) for London interbank offered rates for United States dollar deposits for such month (or portion thereof).

"**LLC Agreement**" means the Limited Liability Company Agreement of the Company dated as of [ ], 2013, as amended.

"**Market Value**" means, with respect to the Class A Shares, on any given date: (i) if the Class A Shares are listed for trading on the NASDAQ Global Market, the closing sale price per share of the Class A Shares on the NASDAQ Global Market on that date (or, if no closing sale price is reported, the last reported sale price), (ii) if the Class A Shares are not listed for trading on the NASDAQ Global Market, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act, on which the Class A Shares are listed, (iii) if the Class A Shares are not so listed on a national securities exchange, the last quoted bid price for the Class A Shares on that date in the over-the-counter market as reported by OTC Markets Group or a similar organization, or (iv) if the Class A Shares are not so quoted by OTC Markets Group or a similar organization such value as the Board, in its sole discretion, shall determine in good faith.

"**Net Tax Benefit**" is defined in Section 3.01(b).

"**Non-Stepped Up Tax Basis**" means, with respect to any asset at any time, the Tax basis that such asset would have had at such time if no Basis Adjustments had been made with respect to such asset.

"**Notice**" is defined in Section 7.01.

"**Objection Notice**" is defined in Section 2.03(a).

"**Payment Limitation**" is defined in Section 3.03.

"**Person**" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"**Pre-Exchange Transfer**" means any transfer (including upon the death of a Series B Member) of one or more Series B Membership Interests (together with the Class B Shares) (i) that occurs prior to an Exchange of such Series B Membership Interests (together with the Class B Shares), and (ii) to which Section 743(b) of the Code applies.

"**Realized Tax Benefit**" means, for a Taxable Year, the excess, if any, of the Hypothetical Tax Liability over the actual liability for income Taxes of HII (or, without duplication, the Company, but only with respect to HII' s pro rata share of the Company' s income Tax liability for such Taxable Year determined using the same methods, elections, conventions and similar practices used on the Corporation Return for such Taxable Year). If the actual liability for such Taxes for the Taxable Year is adjusted as a result of an audit by a Taxing Authority of such Taxable Year or any other Taxable Year, such adjustment shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

"**Realized Tax Detriment**" means, for a Taxable Year, the excess, if any, of the actual liability for income Taxes of HII (or, without duplication, the Company, but only with respect to HII' s pro rata share of the Company' s income Tax liability for such Taxable Year determined using the same methods, elections, conventions and similar practices used on the Corporation Return for such Taxable Year) over the Hypothetical Tax Liability for such Taxable Year. If the actual liability for such Taxes for the Taxable Year is adjusted as a result of an audit by a Taxing Authority of such Taxable Year or any other Taxable Year, such adjustment shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination.

"**Reconciliation Dispute**" is defined in Section 7.09 of this Agreement.

"**Reconciliation Procedures**" shall mean those procedures set forth in Section 7.09 of this Agreement.

"**Schedule**" means any of (i) an Exchange Basis Schedule, (ii) a Tax Benefit Schedule or (iii) an Early Termination Schedule.

"**Section 754 Election**" means an election under Section 754 of the Code and any comparable election under applicable state or local income tax laws.

"**Senior Obligations**" is defined in Section 5.01 of this Agreement.

"**Series A Membership Interests**" is defined in the recitals.

"**Series B Members**" means the parties hereto, other than HII and the Company and each other Person who from time to time executes a Joinder Agreement in the form attached hereto as Exhibit A.

"**Series B Member Representative**" means Health Plan Intermediaries, LLC.

"**Series B Membership Interests**" is defined in the recitals.

"**Shortfall**" is defined in Section 3.01(c) of this Agreement.

"**Subsidiaries**" means, with respect to any Person, as of any date of determination, any other Person as to which such Person, owns, directly or indirectly, or otherwise controls more than 50% of the voting power or other similar interests (including the general partner interests or managing member or similar interests) of such Person.

"**Tax Benefit Payment**" is defined in Section 3.01(b) of this Agreement.

"**Tax Benefit Schedule**" is defined in Section 2.02 of this Agreement.

"**Tax Return**" means any return, declaration, report or similar statement filed or required to be filed with respect to Taxes (including any attached schedules), including, without limitation, any information return, claim for refund, amended return and declaration of estimated Tax.

"**Taxable Year**" means a taxable year of HII as defined in Section 441(b) of the Code or comparable section of state or local Tax law, as applicable (and, therefore, may include a period of less than 12 months for which a Corporation Return is prepared) in which there is a Basis Adjustment or increased depreciation, amortization or interest deductions attributable to an Exchange.

"**Taxes**" means any and all U.S. federal, state and local taxes, assessments or similar charges that are based on or measured with respect to net income or profits and any interest related to such taxes.

"**Taxing Authority**" shall mean any domestic, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising any taxing authority or any other authority exercising Tax regulatory authority.

"**Treasury Regulations**" means the final, temporary and proposed regulations under the Code promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

"**Valuation Assumptions**" shall mean, as of an Early Termination Date, the assumptions that (1) in each Taxable Year ending on or after such Early Termination Date, HII will have sufficient taxable income to utilize fully the deductions arising from the Basis Adjustments and the Imputed Interest, (2) the U.S. federal income Tax rates and state and local income Tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other applicable laws as in effect on the Early Termination Date, (3) any loss carryovers attributable to any Basis Adjustment or Imputed Interest and available as of the date of the Early Termination Schedule will be utilized by HII on a *pro rata* basis from the date of the Early Termination Schedule through the date that is the scheduled expiration date of such loss carryovers, (4) any non-amortizable assets will be disposed of on the fifteenth anniversary of the earlier of (x) the Basis Adjustment and (y) the Early Termination Date and (5) if, at the Early Termination Date, there are Series B Membership Interests that have not been Exchanged, then each such Series B Membership Interest shall be deemed to be Exchanged for the Market Value of the Class A Shares and the amount of the cash payment to which the Applicable Series B Member would be entitled under this Agreement if the Exchange occurred on the Early Termination Date.

Section 1.02. *Other Definitional and Interpretative Provisions.* The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Articles, Sections and Exhibits are to Articles, Sections and Exhibits of this Agreement unless otherwise specified. Any capitalized term used in any Exhibit but not otherwise defined therein has the meaning ascribed to such term in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," whether or not they are in fact followed by those words or words of like import. "Writing," "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to "law," "laws" or to a particular statute or law shall be deemed also to include any and all Applicable Laws.

ARTICLE 2

DETERMINATION OF CUMULATIVE REALIZED TAX BENEFIT

Section 2.01. *Exchange Basis Schedule.* Within 60 calendar days after the filing of the U.S. federal income Corporation Return for each Taxable Year, HII shall deliver to the Series B Member Representative a schedule (the "**Exchange Basis Schedule**") that shows in reasonable detail (i) the Non-Stepped Up Tax Basis of the Exchange Assets as of each applicable Exchange Date, (ii) the Basis Adjustment Amount with respect to the Exchanges effected in such Taxable Year, calculated in the aggregate, (iii) the period or periods, if any, over which the Exchange Assets are amortizable and/or depreciable and (iv) the period or periods, if any, over which each Basis Adjustment Amount is amortizable and/or depreciable (which, for non-amortizable assets, shall be based on the Valuation Assumptions).

Section 2.02. *Tax Benefit Schedule*. (a) Within 60 calendar days after the filing of the U.S. federal income Corporation Return for any Taxable Year in which there is a Realized Tax Benefit or Realized Tax Detriment, HII shall provide to the Series B Member Representative a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year (a "**Tax Benefit Schedule**"). On no more than a quarterly basis, HII agrees to confirm, at the request of the Series B Member Representative, the Market Value of the applicable Class A Shares with respect to any Exchanges in the prior calendar quarter. The Tax Benefit Schedule will become final as provided in Section 2.03(a) and may be amended as provided in Section 2.03(b) (subject to the procedures set forth in Section 2.03(b)).

(b) *Applicable Principles.* Subject to Section 3.03, the Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the actual liability for Taxes of HII for such Taxable Year attributable to the Basis Adjustments and Imputed Interest. The actual liability for Taxes will take into account the deduction of the portion of the Tax Benefit Payment that must be accounted for as interest under the Code based upon the characterization of Tax Benefit Payments as additional consideration payable by HII for the Series B Membership Interests and Class B Shares acquired in an Exchange. Carryovers or carrybacks of any Tax item attributable to the Basis Adjustments and the Imputed Interest shall be considered to be subject to the rules of the Code and the Treasury Regulations or the appropriate provisions of U.S. state and local income and franchise tax law, as applicable, governing the use, limitation and expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any Tax item includes a portion that is attributable to the Basis Adjustment or the Imputed Interest and another portion that is not, such portions shall be considered to be used in accordance with the "with and without" methodology. All Tax Benefit Payments (other than amounts accounted for as interest under the Code) will (A) be treated as subsequent upward purchase price

adjustments that give rise to further Basis Adjustments to Exchange Assets for HII and (B) have the effect of creating additional Basis Adjustments to Exchange Assets for HII in the year of payment, and, as a result, such additional Basis Adjustments will be incorporated into the current year calculation and into future year calculations, as appropriate.

Section 2.03. *Procedures, Amendments*.

(a) *Procedures*. Each time HII delivers to the Series B Member Representative an applicable Schedule under this Agreement, including any Amended Schedule, but excluding any Early Termination Schedule or amended Early Termination Schedule, HII also shall (x) deliver to the Series B Member Representative the Corporation Return, along with schedules and work papers, as determined by HII or requested by the Series B Member Representative, providing reasonable detail regarding the preparation of such Schedule and (y) allow the Series B Member Representative reasonable access to the appropriate representatives of HII and the Advisory Firm in connection with a review of such Schedule. Each party shall bear its own expenses associated with such review and investigation. The applicable Schedule shall become final and binding on all parties unless the Applicable Series B Member, within 30 calendar days after an Exchange Basis Schedule or amendment thereto or a Tax Benefit Schedule or amendment thereto was provided to the Series B Member Representative, provides HII with notice of a material objection to such Schedule ("**Objection Notice**") made in good faith. If HII and the Applicable Series B Member are unable to resolve the issues raised in such notice within 30 calendar days of receipt by HII of an Objection Notice with respect to such Exchange Basis Schedule or Tax Benefit Schedule, HII and the Series B Member Representative shall employ the reconciliation procedures as provided for in Section 7.09 of this Agreement (the "**Reconciliation Procedures**"); *provided* that, to the extent that the matter at issue affects an Applicable Series B Member but not the Series B Member Representative, the Reconciliation Procedures shall be employed, *mutatis mutandis*, by HII and the relevant Applicable Series B Member.

(b) *Amended Schedule*. The applicable Schedule for any Taxable Year shall be amended from time to time by HII (i) in connection with a Determination affecting such Schedule, (ii) to correct material inaccuracies in the Schedule identified as a result of the receipt of additional factual information that was not previously taken into account, (iii) to comply with the Expert' s determination under the Reconciliation Procedures, (iv) to reflect a material change (relative to the amounts in the original Tax Benefit Schedule) in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other Tax item to such Taxable Year, (v) to reflect a material change (relative to the amounts in the original Tax Benefit Schedule) in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year, or (vi) to adjust the Exchange Basis Schedule to take into account payments made pursuant to this Agreement (any such Schedule, an "**Amended Schedule**").

ARTICLE 3

TAX BENEFIT PAYMENTS

Section 3.01. *Payments.*

(a) *Payments*. Within five (5) Business Days of a Tax Benefit Schedule that was delivered to Series B Member Representative becoming final in accordance with Section 2.03(a), HII shall pay to the Applicable Series B Members the applicable Tax Benefit Payment determined pursuant to Section 3.01(b). Each such Tax Benefit Payment shall be made by wire transfer of immediately available funds to the bank accounts of the Applicable Series B Members previously designated by each such Series B Member to HII; *provided* that no Tax Benefit Payment shall be made in respect of estimated Tax payments, including, without limitation, estimated U.S. federal income Tax payments.

(b) A "**Tax Benefit Payment**" means an amount, not less than zero, equal to the Net Tax Benefit and the Interest Amount. For the avoidance of doubt, for Tax purposes, the Interest Amount shall not be treated as interest but instead shall be treated as additional consideration of Series B Membership Interests (together with Class B Shares) in Exchanges. The "**Net Tax Benefit**" for a Taxable Year shall be an amount equal to the excess, if any, of 85% of the Cumulative Net Realized Tax Benefit as of the end of such Taxable Year over the total amount of Tax Benefit Payments with respect to Net Tax Benefits previously made under this Section 3.01; *provided, however*, that no Series B Member shall be required to return any portion of any previously received Tax Benefit Payment under any circumstances. The "**Interest Amount**" for a Taxable Year shall equal the interest on the Net Tax Benefit for such Taxable Year calculated at the Agreed Rate from the due date (without extensions) for the filing of the Corporation Return with respect to Taxes for such Taxable Year until the date of payment. The Net Tax Benefit shall be determined separately with respect to each separate Exchange on an individual basis by reference to the amount realized by the applicable Exchanging Series B Member on the Exchange of a Series B Membership Interest (and a corresponding Class B Share) and the resulting Basis Adjustments to HII (as determined pursuant to Section 2.02(b)).

(c) *Increase or Decrease in Future Payments.* (i) Within five (5) Business Days after the delivery of an Amended Schedule to the Series B Member Representative for any Taxable Year, the Company shall pay to the Series B Members an amount equal to the excess, if any, of (x) the amount such Series B Member is entitled to receive under this Agreement in respect of the relevant Taxable Year (based on such Amended Schedule) over (y) the cumulative amount such Series B Member actually received in respect of such Taxable Year pursuant to this Agreement.

(ii) In the event that an Amended Schedule reflects a decrease in the Realized Tax Benefit for such year (including, without limitation, by reason of net operating loss carryovers or carrybacks) and payments have previously been made based on the higher Realized Tax Benefit reflected in any prior Schedule (either such excess, an "**Excess Payment**"), future payments, if any, to be made under this Section 3.01 shall be reduced by the amount of the Excess Payment until such Excess Payment has effectively been repaid. For the avoidance of doubt, if future payments are insufficient to repay any Excess Payment (a "**Shortfall**"), the Series B Members shall have no obligation to repay to the Company or any other Person any such Shortfall.

Section 3.02. *No Duplicative Payments.* It is intended that the provisions of this Agreement will not result in duplicative payment of any amount (including interest) required under this Agreement. It is also intended that the provisions of this Agreement, subject to Article 4 and Section 7.14, will result in 85% of HII' s Cumulative Net Realized Tax Benefit being paid to the Series B Members pursuant to this Agreement. The provisions of this Agreement shall be construed in the appropriate manner to ensure such intentions are realized.

Section 3.03. *Pro Rata Payments.* Notwithstanding anything in Section 3.01 to the contrary, to the extent that (i) HII' s aggregate Tax benefit with respect to any Basis Adjustment or Imputed Interest is limited in a particular Taxable Year because HII does not have sufficient Taxable income or (ii) HII has insufficient funds to make a payment hereunder as a result of (x) applicable limitations imposed by credit agreements or similar arrangements in respect of indebtedness for borrowed money to which the Company is a party (including, without limitation, limitations on the ability of the Company and its direct and indirect Subsidiaries to make distributions or payments to HII), (y) a determination by the Board in good faith that making such payments would result in a default under any such credit agreement or similar arrangement or (z) a determination by the Board in good faith that (A) such payments could be set aside as fraudulent transfers or conveyances or similar actions under fraudulent transfer laws or (B) such payments could cause HII to be undercapitalized (each of (x), (y) and (z), a "**Payment Limitation**"), the limitation on the Tax benefit or the Tax Benefit Payments that may be made, as the case may be, shall be taken into account or made for the Applicable Series B Members in the same proportion as Tax Benefit Payments would have been made absent the limitations in clauses (i) and (ii) of this paragraph, as applicable.

ARTICLE 4

TERMINATION

Section 4.01. *Early Termination, Change of Control and Breach of Agreement*.

(a) HII may terminate this Agreement with respect to all of the Series B Membership Interests held (or previously Exchanged) by all Series B Members at any time by paying to the Series B Members the Early Termination Payment; *provided, however*, that this Agreement shall terminate only upon the receipt of the Early Termination Payment by all Series B Members, and *provided, further*, that HII may withdraw any Early Termination Notice prior to the time at which any Early Termination Payment has been paid. Upon payment of the Early Termination Payment by HII, neither the Series B Members nor HII shall have any further payment obligations under this Agreement, other than for any (x) Tax Benefit Payment agreed to by HII and the Applicable Series B Member, acting in good faith, to be due and payable but unpaid as of the Early Termination Notice and (y) Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in this clause (y) is included in the Early Termination Payment). If an Exchange occurs after HII makes the Early Termination Payments with respect to all Series B Members, HII shall have no obligations under this Agreement with respect to such Exchange, and its only obligation under this Agreement in such case shall be its obligations under Section 4.03(a).

(b) Upon a Change of Control or if HII breaches any of its material obligations under this Agreement, then all of HII' s obligations hereunder shall be accelerated and calculated as if an Early Termination Notice had been delivered on the date of such Change of Control or breach and such obligations shall include, but shall not be limited to, (1) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of such acceleration, (2) any Tax Benefit Payment agreed to by HII and any Applicable Series B Member, acting in good faith, to be due and payable but unpaid as of the date of such acceleration and (3) any Tax Benefit Payment due for the Taxable Year ending with or including the date of such acceleration (except to the extent that the amount described in this clause (3) is included in the amount described in clause (1)). Notwithstanding the foregoing, in the event that HII breaches this Agreement, the Series B Members shall be entitled to elect to receive the amounts set forth in clauses (1), (2) and (3) above or to seek specific performance of the terms hereof. The parties agree that the failure to make any payment due pursuant to this Agreement within three months of the date such payment is due shall be deemed to be a breach of a material obligation under this Agreement for all purposes of this Agreement; *provided* that it will not be considered to be a breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within three months of the date such payment is due; *provided*

further that HII shall be deemed not to be in breach of a material obligation by reason of the failure to make a payment under this Agreement until the later of (x) three months after the date such payment was originally due and (y) the thirtieth (30th) calendar day after HII received a written notice from the Series B Member Representative or the party that is entitled to receive such payment specifying the amount due. Notwithstanding anything in this Agreement to the contrary, it shall not be a breach of this Agreement if HII fails to make any Tax Benefit Payment when due because, and to the extent, of a Payment Limitation (but only for so long as such Payment Limitation continues); *provided* that the interest provisions of Section 5.02 shall apply to any such late payment (but the Default Rate shall be replaced by the Agreed Rate).

(c) HII, the Company and each of the Series B Members hereby acknowledge and agree that, as of the date of this Agreement and as of the date of each Exchange, the aggregate value of the Tax Benefit Payments cannot reasonably be ascertained for U.S. federal income Tax or other applicable Tax purposes.

Section 4.02. *Early Termination Notice.* If HII exercises its right of early termination under Section 4.01, HII shall deliver to the Series B Member Representative notice of such intention to exercise such right ("**Early Termination Notice**") and a schedule (the "**Early Termination Schedule**") specifying HII' s intention to exercise such right and showing in reasonable detail the calculation of the Early Termination Payment, and the Series B Member Representative shall promptly provide such notice and schedule to each Series B Member. At the time HII delivers the Early Termination Notice to the Series B Member Representative, HII shall (a) deliver to the Series B Member Representative schedules and work papers, as determined by HII or requested by the Series B Member Representative, providing reasonable detail regarding the calculation of the Early Termination Payment and (b) allow the Series B Member Representative reasonable access to the appropriate representatives of HII and the Advisory Firm in connection with its review of such calculation. Each party shall bear its own expenses associated with such review. The Early Termination Payment shall become final and binding on the parties unless the Series B Member Representative provides HII with notice of a material objection to the calculation of the Early Termination Payment made in good faith within 30 calendar days after the Early Termination Schedule was provided to the Series B Member Representative (or such shorter period as may be mutually agreed in writing by the parties). If the Series B Member Representative provides HII with written notice of its objection to the calculation of the Early Termination Payment, and the Series B Member Representative and HII, for any reason, cannot agree upon the amount of the Early Termination Payment within 30 calendar days following HII' s receipt of the Series B Member Representative' s objection, HII and the Series B Member Representative shall employ the Reconciliation Procedures as described in Section 7.09 of this Agreement.

Section 4.03. *Payment upon Early Termination.*

(a) Within five (5) Business Days after the Early Termination Schedule has become final and binding, HII shall pay to each Applicable Series B Member an amount equal to the Early Termination Payment. Such payment shall be made by wire transfer of immediately available funds to the bank account designated by the Applicable Series B Member.

(b) The "**Early Termination Payment**" as of the date of the delivery of an Early Termination Schedule shall equal, with respect to the Applicable Series B Member, the present value, discounted at the Early Termination Rate as of such date, of all Tax Benefit Payments that would be required to be paid by HII to the Applicable Series B Member beginning from the Early Termination Date and assuming that the Valuation Assumptions are applied.

ARTICLE 5
SUBORDINATION AND LATE PAYMENTS

Section 5.01. *Subordination.* Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to be made by HII to the Series B Members under this Agreement (an "**Exchange Payment**") shall rank subordinate and junior in right of payment to any principal, interest or other amounts due and payable in respect of all obligations in respect of indebtedness of HII ("**Senior Obligations**") and shall rank *pari passu* with all current or future unsecured obligations of HII that are not Senior Obligations.

Section 5.02. *Late Payments by HII.* Except as otherwise noted in this Agreement, the amount of all or any portion of any Exchange Payment not made to any Series B Member when due (without regard to Section 5.01) under the terms of this Agreement shall be payable together with interest thereon, computed at the Default Rate and commencing from the date on which such Exchange Payment was due and payable.

ARTICLE 6
NO DISPUTES; CONSISTENCY; COOPERATION

Section 6.01. *Series B Member Participation in HII's and the Company's Tax Matters. (a)* Except as otherwise provided herein, HII shall have full responsibility for, and sole discretion over, all Tax matters concerning HII and the Company, including without limitation the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to Taxes. Notwithstanding the foregoing, HII shall notify the Series B Member

Representative of, and keep the Series B Member Representative reasonably informed with respect to, the portion of any audit of HII and the Company by a Taxing Authority the outcome of which is reasonably expected to affect any Series B Member' s rights and obligations under this Agreement, and shall provide to the Series B Member Representative reasonable opportunity to provide information and other input to HII, the Company, and their respective advisors concerning the conduct of any such portion of such audit; Series B Members shall have the right to attend in person or by telephone (but not participate in) any audit of HII or the Company the outcome of which could reasonably be expected to affect the amount of net payments that the Series B Members are expected to receive under this Agreement; *provided, however*, that HII and the Company shall not be required to take any action that is inconsistent with any provision of the LLC Agreement. HII shall not settle or fail to contest any issue pertaining to taxes that is reasonably expected to affect the Series B Members' rights and obligations under this Agreement without the consent of the Series B Member Representative, such consent not to be unreasonably withheld or delayed.

(b) If HII, the Company, or any of their respective Subsidiaries receives a 30-day letter, a final audit report, a statutory notice of deficiency or similar written notice from any Taxing Authority with respect to the Tax treatment of any Exchange (a "**Change Notice**"), which, if sustained, would result in (i) a reduction in the amount of Realized Tax Benefit with respect to a Taxable Year preceding the taxable year in which the Change Notice is received or (ii) a reduction in the amount of Tax Benefit Payments HII will be required to pay to the Series B Members with respect to Taxable Years after and including the taxable year in which the Change Notice is received, HII shall deliver prompt written notice of such Change Notice to the Series B Member Representative.

Section 6.02. *Consistency.* (i) Except upon the written advice of an Advisory Firm to HII, HII and the Series B Members agree to report and cause to be reported for all purposes, including U.S. federal, state and local Tax purposes and financial reporting purposes, all Tax-related items (including without limitation items arising from the Basis Adjustments and each Tax Benefit Payment) in a manner consistent with that specified by HII in any Schedule provided by or on behalf of HII under this Agreement. Any Dispute concerning such advice shall be subject to Section 7.09; *provided, however*, that only the Series B Member Representative shall have the right to object to such advice pursuant to this Section 6.02.

(ii) In the event that an Advisory Firm is replaced by HII, such replacement Advisory Firm shall be required to perform its services under this Agreement using procedures and methodologies consistent with those used by the previous Advisory Firm, unless (a) otherwise required by law or (b) HII and the Series B Member Representative agree to the use of other procedures and methodologies.

Section 6.03. *Cooperation.* The Series B Members shall (a) furnish to HII in a timely manner such information, documents and other materials as HII may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make themselves available to HII and its representatives to provide explanations of documents and materials and such other information as HII or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c) reasonably cooperate in connection with any such matter described in clause (a) above. HII shall reimburse the applicable Series B Member for any reasonable third-party costs and expenses incurred pursuant to this Section 6.03.

Section 6.04. *Section 754 Elections.* If at any point the Company or any of its direct or indirect Subsidiaries that is a partnership for U.S. federal income tax purposes does not have a Section 754 Election in effect, HII shall cause the Company or such Subsidiary, as applicable, to make a Section 754 Election at the time that the Company or such Subsidiary, as applicable, files its next U.S. federal income Tax Return.

ARTICLE 7
MISCELLANEOUS

Section 7.01. *Notices.* All notices, requests, consents and other communications hereunder (each, a "**Notice**") to any party shall be in writing and shall be delivered in person or sent by facsimile (provided a copy is thereafter promptly delivered as provided in this Section 7.01) or nationally recognized overnight courier, addressed to such party at the address or facsimile number set forth in Exhibit B hereto, or below with respect to HII, or such other address or facsimile number as may hereafter be designated in writing by such party to the other parties:

If to HII, to:

15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Tel: (877) 376-5831
Facsimile No.: (877) 376-5832
Attention: Michael W. Kosloske

with a copy (which shall not constitute notice to HII) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Telephone: 212-450-4125
Facsimile: 212-701-5125
Attention: Neil J. Barr

Each Notice shall be deemed received on the date sent to the recipient thereof in accordance with this Section 7.01, if sent prior to 5:00 p.m. in the place of receipt and such day is a Business Day; otherwise, such Notice shall be deemed not to have been received until the next succeeding Business Day.

Section 7.02. *Counterparts.* This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

Section 7.03. *Entire Agreement; No Third Party Beneficiaries.* This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.04. *Governing Law.* This Agreement shall be governed by, and construed in accordance with, the law of the State of New York, without regard to the conflicts of laws principles thereof.

Section 7.05. *Severability.* If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 7.06. *Successors; Assignment; Amendments; Waivers.* No Series B Member may assign this Agreement to any person without the prior written

consent of HII; *provided, however*, that (i) to the extent Series B Membership Interests are effectively transferred in accordance with the terms of the LLC Agreement, the transferring Series B Member may assign to the transferee of such Series B Membership Interests the transferring Series B Member' s rights under this Agreement with respect to such transferred Series B Membership Interests and (ii) a Series B Member shall be entitled to assign its rights under this Agreement to (x) a direct or indirect beneficial owner or Affiliate of such Series B Member, or trust or other Person established for the benefit of one or more direct or indirect beneficial owners or Affiliates of such Series B Member, in connection with a liquidation, dissolution, winding up or other termination of such Series B Member or (y) any other then-current Series B Member, and, in either case (i) or (ii), such transferee shall have executed and delivered, or, in connection with such transfer, execute and deliver, a joinder to this Agreement in the form attached hereto as Exhibit A (or such other joinder in form and substance reasonably satisfactory to HII), agreeing to become a "Series B Member" for all purposes of this Agreement, except as otherwise provided in such joinder.

No provision of this Agreement may be amended unless such amendment is approved in writing by each of HII and the Company and by Series B Members who would be entitled to receive at least two-thirds (2/3) of the Early Termination Payments payable to all Series B Members hereunder if HII had exercised its right of early termination on the date of the most recent Exchange prior to such amendment (excluding, for purposes of this sentence, all payments made to any Series B Member pursuant to this Agreement since the date of such most recent Exchange); *provided, however*, that no such amendment shall be effective if such amendment would have a disproportionate effect on the payments certain Series B Members will or may receive under this Agreement unless all such Series B Members disproportionately affected consent in writing to such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

Except as otherwise specifically provided herein, all of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. HII shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of HII, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that HII would be required to perform if no such succession had taken place.

Section 7.07. *Titles and Subtitles.* The titles of the articles, sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

Section 7.08. *Resolution of Disputes.* (a) Any and all disputes that are not governed by Section 7.09, including but not limited to any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) (each a "**Dispute**") shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect (except as may be modified by mutual agreement of HII, the Company and each of the affected Series B Members). If the parties to the Dispute fail to agree on the selection of an arbitrator within thirty (30) calendar days of the receipt of the request for arbitration, the American Arbitration Association shall make the appointment. The arbitrator shall be a lawyer admitted to the practice of law in the State of New York and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings. In addition to monetary damages, the arbitrator shall be empowered to award equitable relief, including, but not limited to an injunction and specific performance of any obligation under this Agreement. The arbitrator is not empowered to award damages in excess of compensatory damages, and each party hereby irrevocably waives any right to recover punitive, consequential, exemplary or similar damages with respect to any Dispute. The award shall be final and binding upon the parties as from the date rendered, and shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues, or accounting presented to the arbitral tribunal. Judgment upon any award may be entered and enforced in any court having jurisdiction over a party or any of its assets.

(b) Notwithstanding the provisions of paragraph (a), HII may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Series B Member (i) expressly consents to the application of paragraph (c) of this Section 7.08 to any such action or proceeding and (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate.

(c) (i) EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH (B) OF THIS SECTION 7.08, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration,

to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forums designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another; and (ii) the parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in paragraph (c)(i) of this Section 7.08 and such parties agree not to plead or claim otherwise.

Section 7.09. *Reconciliation.* In the event that HII and the Series B Member Representative are unable to resolve a disagreement with respect to a matter governed by Section 2.03, Section 4.02, or Section 6.02 within the relevant period designated in this Agreement ("**Reconciliation Dispute**"), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the "**Expert**") in the particular area of disagreement mutually acceptable to both parties. The Expert shall be a partner in a nationally recognized accounting firm or a law firm (other than the Advisory Firm), and the Expert shall not, and the firm that employs the Expert shall not, unless otherwise agreed by HII and the Series B Member Representative, have any material relationship with either HII or the Series B Member Representative. If the parties are unable to agree on an Expert within thirty (30) calendar days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the Expert shall be appointed by the American Arbitration Association. The Expert shall resolve any matter relating to the Exchange Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within thirty (30) calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within fifteen (15) calendar days or as soon thereafter as is reasonably practicable, in each case, after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid on such date and such Tax Return may be filed as prepared by HII, subject to adjustment or amendment upon resolution. In the event that this reconciliation provision is utilized, the fees of the Expert shall be paid in proportion to the manner in which the dispute is resolved, such that, for example, if the entire dispute is resolved in favor of HII, the Series B Member Representative shall pay all of the fees, or if the items in dispute are resolved 50% in favor of HII and 50% in favor of the applicable Series B Member, each of HII and the Series B Member Representative shall pay 50% of the fees of the Expert. Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of this Section 7.09 shall be decided by the Expert. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.09 shall be (i) final and may be enforced as if it were the award of an arbitrator issued under and pursuant

to the rules of the American Arbitration Association and (ii) binding on HII and the Series B Member Representative and may be entered and enforced in any court having competent jurisdiction.

Section 7.10. *Withholding.* HII shall be entitled to deduct and withhold from any payment payable pursuant to this Agreement such amounts as HII is required to deduct and withhold with respect to the making of such payment under the Code or any provision of state, local or foreign Tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by HII, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable Series B Member.

Section 7.11. *Admission of HII into a Consolidated Group; Transfers of Corporate Assets.* (a) If HII becomes a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return pursuant to Section 1501 *et seq*. of the Code or any corresponding provisions of state, local or foreign law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments, Early Termination Payments and other applicable items hereunder shall be computed with reference to the consolidated taxable income of the group as a whole.

(b) If any entity that is obligated to make an Exchange Payment hereunder transfers one or more assets to a corporation with which such entity does not file a consolidated Tax Return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Exchange Payment (*e.g.*, calculating the gross income of the entity and determining the Realized Tax Benefit of such entity) due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the fair market value of the contributed asset, plus (i) the amount of debt to which such asset is subject, in the case of a contribution of an encumbered asset or (ii) the amount of debt allocated to such asset, in the case of a contribution of a partnership interest.

Section 7.12. *Confidentiality.* Each Series B Member acknowledges and agrees that the information of HII and of its Affiliates is confidential and, except in the course of performing any duties as necessary for HII and its Affiliates, as required by law or legal process or to enforce the terms of this Agreement, such person shall keep and retain in the strictest confidence and not disclose to any Person any confidential matters, acquired pursuant to this Agreement, of HII and its Affiliates and successors, concerning the Company and its Affiliates and successors or the other Series B Members, learned by the Series B Member heretofore or hereafter. This Section 7.12 shall not apply to (i) any information that has been made publicly available by HII or any of its Subsidiaries, becomes public knowledge (except as a result of an act of such Series B Member in

violation of this Agreement) or is generally known to the business community and (ii) the disclosure of information to the extent necessary for a Series B Member to prepare and file his or her Tax Returns, to respond to any inquiries regarding the sale from any Taxing authority or to prosecute or defend any action, proceeding or audit by any Taxing authority with respect to such returns. Notwithstanding anything to the contrary herein, each Series B Member (and each employee, representative or other agent of such Series B Member or assignee, as applicable) may disclose to any and all Persons, without limitation of any kind, the Tax treatment and Tax structure of HII, the Company, the Series B Members and their Affiliates, and any of their transactions, and all materials of any kind (including opinions or other Tax analyses) that are provided to the Series B Members relating to such Tax treatment and Tax structure.

If a Series B Member commits a breach, or threatens to commit a breach, of any of the provisions of this Section 7.12, HII shall have the right and remedy to have the provisions of this Section 7.12 specifically enforced by injunctive relief or otherwise by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to HII or any of its Subsidiaries or the other Series B Members and the accounts and funds managed by HII and that money damages alone shall not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at law or in equity.

Section 7.13. *LLC Agreement.* This Agreement shall be treated as part of the partnership agreement of the Company as described in Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

Section 7.14. *Change in Tax Law*. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in law, the Series B Member Representative reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by any Applicable Series B Member or any member affiliated with an Applicable Series B Member (or direct or indirect equity holders in such member) upon the IPO or any Exchange to be treated as ordinary income rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. federal income Tax purposes or would have other material adverse Tax consequences to an Applicable Series B Member or any direct or indirect owner of an Applicable Series B Member (a "**Change in Tax Law**"), then (i) at the election of the Applicable Series B Member and to the extent specified by the Applicable Series B Member, this Agreement shall not apply with respect to an Exchange by the Applicable Series B Member occurring after a date specified by the Applicable Series B Member, (ii) at the election of the Applicable Series B Member, this Agreement shall otherwise be amended in a

manner determined by HII and the Series B Member Representative, acting jointly, provided that such amendment shall not result in an increase in payments under this Agreement at any time as compared to the amounts and times of payments that would have been due in the absence of such amendment or (iii) at the election of the Series B Members, acting unanimously, this Agreement shall cease to have further effect. For the avoidance of doubt, any election pursuant to this Section 7.14 shall not be considered a breach of this Agreement and shall not trigger an Early Termination Payment under Section 4.01.

Section 7.15. *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized representatives as of the day and year first above written.

By: Health Insurance Innovations, Inc.

Name:

Title:

By: Health Plan Intermediaries Holdings, LLC

Name:

Title:

By: Health Plan Intermediaries, LLC

Name:

Title:

By: Health Plan Intermediaries Sub, LLC

Name:

Title:

Exhibit A

JOINDER

This JOINDER to the Tax Receivable Agreement (as amended, the "**Tax Receivable Agreement**") dated as of , 2013, among Health Insurance Innovations, Inc., a Delaware corporation ("**HII**"), Health Insurance Intermediaries Holdings, LLC, a Delaware limited liability company, (the "**Company**") and each of the undersigned parties thereto identified as "**Series B Members**" constitutes the agreement and undertaking of (the "**Permitted Transferee**") in favor of and for the benefit of HII, the Company and the other parties to the Tax Receivable Agreement.

WHEREAS, on , 20 , the Permitted Transferee acquired (the "**Acquisition**") Series B Membership Interests in the Company and the corresponding Class B Shares of HII (collectively, the "**Interests**" and, together with all other Interests hereinafter acquired by the Permitted Transferee from (the "**Transferor**") and its Permitted Transferees, the "**Acquired Interests**") from the Transferor; and

WHEREAS, the Transferor, in connection with the Acquisition, has required Permitted Transferee to execute and deliver this Joinder pursuant to Section 7.06 of the Tax Receivable Agreement.

NOW, THEREFORE, in consideration of the foregoing and the agreements contained herein, the Permitted Transferee hereby agrees as follows:

Section 1.1. *Definitions*. Capitalized words used but not defined in this Joinder are used as defined in the Tax Receivable Agreement.

Section 1.2. *Joinder*. The Permitted Transferee hereby acknowledges and agrees to become a "Series B Member" for all purposes of the Tax Receivable Agreement, including but not limited to, being bound by Section 7.12, Section 2.03, Section 4.02, Section 6.01, and Section 6.02 of the Tax Receivable Agreement, with respect to the Acquired Interests, and any other Interests the Permitted Transferee acquires hereafter.

Section 1.3. *Notice*. All notices, requests, consents and other communications hereunder to the Permitted Transferee shall be deemed to be sufficient if contained in a written instrument delivered in person or sent by facsimile (provided a copy is thereafter promptly delivered as provided in this Section 1.3) or nationally recognized overnight courier, addressed to the Permitted Transferee at the address or facsimile number set forth below or such other address or facsimile number as may hereafter be designated in writing by Permitted Transferee.

Section 1.4. *Governing Law*. This Joinder shall be governed by, and construed in accordance with, the law of the State of New York, without regard to the conflicts of laws principles thereof.

IN WITNESS WHEREOF, this Joinder has been duly executed and delivered by the Permitted Transferee as of the date first above written.

[NAME]

By: _____

Name:

Title:

Address for Notices:

Facsimile No.

Exhibit B

Name and Address of Series B Member	Immediately Following IPO: Number of Series B Membership Interests Owned	Immediately Following IPO: Number of Class B Shares Owned
Health Plan Intermediaries, LLC		
Health Plan Intermediaries Sub, LLC		

Exhibit 10.6

FORM OF EXCHANGE AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

and

THE SERIES B MEMBERS OF HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

Dated as of [ ], 2013

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EXCHANGE AGREEMENT

among

HEALTH INSURANCE INNOVATIONS, INC.

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

and

THE SERIES B MEMBERS OF HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

EXCHANGE AGREEMENT, dated as of [ ], 2013 (this "**Agreement**"), among Health Insurance Innovations, Inc., a Delaware corporation ("**HII**"), Health Plan Intermediaries Holdings, LLC, a Delaware limited liability company (the "**Company**") and the holders from time to time of Series B Membership Interests in the Company listed on Exhibit A hereto (collectively, the "**Series B Members**"). Capitalized terms used but not simultaneously defined are defined in or by reference to Section 1.01.

W I T N E S S E T H:

WHEREAS, in connection with the closing of its initial public offering of Class A Shares (the "**IPO**"), HII intends to consummate the transactions described in the Registration Statement on Form S-1 originally filed with the Commission on December 20, 2012, as amended (Registration No. 333-185596);

WHEREAS, immediately prior to the closing of the IPO, the existing ownership interests in the Company of the Series B Members, represented by limited liability company interests, will be converted into Series B Membership Interests in the Company, and the existing shares of common stock of HII of the Series B Members will be converted into Class B Shares of HII, and each of the Series B Members will own the number of Series B Membership Interests and Class B Shares set forth opposite its name on Exhibit A hereto;

WHEREAS, the parties hereto desire to provide for the possible future exchange following the IPO of Series B Membership Interests of the Company (concurrently with the corresponding number of Class B Shares of HII), for Class A Shares of HII, on the terms and subject to the conditions set forth herein;

WHEREAS, HII shall have no obligation to acquire from a Series B Member any Series B Membership Interests and Class B Shares unless such Series B Member exercises its Exchange Right with respect to such Series B Membership Interests and Class B Shares in accordance herewith; and

WHEREAS, the parties intend that an Exchange consummated hereunder be treated for U.S. federal income tax purposes, to the extent permitted by law, as a taxable sale of Series B Membership Interests and Class B Shares;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINED TERMS

Section 1.01. *Definitions.* As used in this Agreement, the following terms have the following meanings:

"**Agreement**" is defined in the preamble.

"**Business Combination Transaction**" is defined in the Amended and Restated Certificate of Incorporation of HII.

"**Business Day**" means any day except a Saturday, Sunday, or other day on which commercial banks in Tampa, Florida or New York, New York are authorized by law to close.

"**Class A Shares**" means shares of Class A common stock, par value $0.001 per share, of HII.

"**Class B Shares**" means shares of Class B common stock, par value $0.001 per share, of HII.

"**Closing**" means the closing of an Exchange pursuant to Section 2.01.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Commission**" means the U.S. Securities and Exchange Commission or any successor thereto.

"**Company**" is defined in the preamble.

"**Exchange**," when used as a noun, means an exchange by a Series B Member of one or more Series B Membership Interests, concurrently with the corresponding number of Class B Shares, for Class A Shares pursuant to Section 2.01 of this Agreement. "**Exchange**," when used as a verb, and "**Exchanging**," when used as an adjective, shall have correlative meanings.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Exchange Rate**" means the number of Class A Shares for which a Series B Membership Interest (together with the corresponding number of Class B Shares, subject to adjustment as provided in Section 2.02(b)) is entitled to be Exchanged, as provided in Section 2.02(a).

"**Exchange Request**" means a written notice to HII, delivered at least 20 days in advance of any Exchange, setting forth the number of Series B Membership Interests (and the corresponding number of Class B Shares) to be Exchanged for Class A Shares, as described in Section 2.01(a).

"**Exchange Right**" means the right of a Series B Member to exchange from time to time one or more Series B Membership Interests (together with the corresponding Class B Shares, subject to adjustment based on the Share Exchange Rate then in effect) for Class A Shares pursuant to Section 2.01.

"**Fiscal Quarter**" means each fiscal quarter ending on the last day of each of March, June, September and December of any Fiscal Year.

"**Fiscal Year**" means a period commencing January 1 and ending December 31 of each year.

"**Governmental Entity**" means any court, administrative agency, regulatory body, commission, or other governmental authority, board, bureau, or instrumentality, domestic or foreign, and any subdivision thereof.

"**HII**" is defined in the preamble.

"**IPO**" is defined in the recitals.

"**Liens**" means any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements, or other restrictions on title or transfer of any nature whatsoever.

"**LLC Agreement**" means the Third Amended and Restated Limited Liability Company Agreement of the Company dated as of [ ], 2013, as such agreement may be amended from time to time.

"**Notice**" is defined in Section 4.02.

"**Permitted Transferee**" is defined in the LLC Agreement.

"**Person**" means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee, or entity in a representative capacity, and any government or agency or political subdivision thereof.

"**Registration Rights Agreement**" means the Registration Rights Agreement dated as of [ ], 2013 among HII and the other parties thereto.

"**Restricted Class A Shares**" is defined in Section 3.01.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Secretary**" is defined in Section 2.01(d)(i).

"**Series B Membership Interests**" is defined in the LLC Agreement.

"**Series B Members**" is defined in the preamble.

"**Share Exchange Rate**" means the number of Class B Shares that must be tendered along with a Series B Membership Interest in an Exchange, as provided in Section 2.02(b).

"**Tax Receivable Agreement**" means the Tax Receivable Agreement dated the date hereof among HII, the Company and the other parties thereto.

Section 1.02. *Other Definitional and Interpretative Provisions.* The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The headings and captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Exhibits are to Articles, Sections and Exhibits of this Agreement unless otherwise specified. Any capitalized term used in any Exhibit and not otherwise defined therein has the meaning ascribed to such term in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," whether or not they are in fact followed by those words or words of like import. "Writing," "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, restated, modified or supplemented from time to time in accordance with the terms thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2
EXCHANGE

Section 2.01. *Exchanges*. (a) Permissible Exchanges. (i) Upon the terms and subject to the conditions of this Article 2, each Series B Member may, at any time and from time to time, elect to Exchange in one or more Exchanges up to one hundred percent (100%) of the Series B Member' s Series B Membership Interests, together with a corresponding number of Class B Shares, by delivering an Exchange Request to HII.

(ii) Upon delivery to HII, no Exchange Request may be revoked less than five Business Days prior to the scheduled Closing of the applicable Exchange (and HII shall have received notice of such revocation no later than such fifth Business Day) unless the Series B Member that has delivered such Exchange Request reimburses all out-of-pocket costs incurred

by HII or the Company with respect to such requested Exchange; *provided*, *however*, that a Series B Member that has delivered an Exchange Request shall be entitled without reimbursing such costs either (x) to revoke such Exchange Request at any time prior to the Closing of the applicable Exchange or (y) to delay the Closing of the requested Exchange pursuant to this Section 2.01(a)(ii), in each case, after the occurrence of one or more of the following events (the date of such Closing to be determined pursuant to Section 2.01(b)(i)): (A) any registration statement pursuant to which the Class A Shares were to be registered for such Series B Member at or immediately following the Closing shall have ceased to be effective pursuant to any action or inaction by the Commission; (B) HII shall have failed to cause any related prospectus to be supplemented by any required prospectus supplement necessary to effect such sale; (C) HII shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement (whether pursuant to the Registration Rights Agreement or otherwise), and such deferral, delay or suspension shall affect the ability of such Series B Member to have its Class A Shares registered at or immediately following the Closing; (D) HII shall have disclosed to such Series B Member any material non-public information concerning HII, the receipt of which results in such Series B Member being prohibited or restricted from selling Class A Shares at or immediately following the Closing without disclosure of such information (and HII does not permit disclosure); (E) any stop order relating to the registration statement pursuant to which the Class A Shares were to be registered by such Series B Member at or immediately following the Closing shall have been issued by the Commission; (F) the Closing, or the closing of the registered offering or the effectiveness of any registration, shall have been delayed due to any facts or circumstances; (G) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Class A Shares are then traded; (H) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Exchange of Series B Membership Interests (together with the corresponding number of Class B Shares) for Class A Shares or the registration or sale of any Class A Shares pursuant to a registration statement; or (I) HII shall have failed to comply in all material respects with its obligations under the Registration Rights Agreement, and such failure shall have affected the ability of such Series B Member to consummate the registration or sale of Class A Shares in a manner not expressly contemplated in clauses (A) through (H) above; *provided further*, *however*, that in no event shall the Series B Member who is seeking to delay such Closing or revoke such Exchange Request and relying on any of the matters contemplated in clauses (A) through (I) above have controlled or intentionally influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of HII) in order to provide such Series B Member with a basis for such delay or revocation.

(iii) Each Exchange Request shall set forth the number of Series B Membership Interests (together with the corresponding number of Class B Shares, which shall be determined pursuant to the Share Exchange Rate) such Series B Member wishes to Exchange for Class A Shares at the applicable Closing. If any Exchange Request is made in connection with a contemplated underwritten offering of Class A Shares and such underwritten offering includes any option being granted to the underwriters or any other Person to acquire an additional number of Class A Shares in connection with such offering, then (A) each Exchange Request related to

Series B Membership Interests to be Exchanged for Class A Shares that will be included in such underwritten offering shall also specify the maximum number of additional Series B Membership Interests that the Series B Member desires to have Exchanged in the event that such option is exercised (it being understood that (x) the party exercising such option may have the right to do so in part, in which case the additional Series B Membership Interests Exchanged in connection with such offering will be limited to the amount necessary to fulfill the delivery obligation with respect to the Class A Shares that are actually to be acquired upon exercise of such option, and (y) the allocation of Class A Shares to be acquired pursuant to an exercise of any such option among the Persons participating in such offering may not be known at the time of the delivery of the original Exchange Request, in which case the maximum number of additional Series B Membership Interests to potentially be Exchanged will be communicated to HII pursuant to a supplement to the Exchange Request delivered promptly following the time at which such determination is made, which supplement to the Exchange Request need not be delivered 20 days in advance of the applicable Exchange) and (B) the Closing of the Exchange of any additional Series B Membership Interests to fulfill a Series B Member' s delivery obligation with respect to the Class A Shares that are to be acquired upon exercise of any such option will occur immediately prior to the time that delivery of the Class A Shares is to be made.

(iv) Each Series B Member shall represent in the Exchange Request that such Series B Member owns the Series B Membership Interests and Class B Shares to be delivered at the applicable Closing pursuant to Section 2.01(d)(i) and Section 2.01(d)(ii), free and clear of all Liens, except as set forth therein and other than transfer restrictions imposed by or under applicable securities laws and this Agreement and the LLC Agreement, and, if there are any Liens identified in the Exchange Request, such Series B Member shall covenant that such Series B Member will deliver at the applicable Closing evidence reasonably satisfactory to HII that all such Liens (other than transfer restrictions imposed by or under applicable securities laws and this Agreement and the LLC Agreement) have been released.

(v) No Exchange shall be permitted (and, if attempted, shall be void *ab initio*) if, in the good faith determination of the Company, such Exchange would pose a material risk that the Company would be a "publicly traded partnership" as defined in Section 7704 of the Code.

(vi) Each Exchange pursuant to this Section 2.01(a) shall be at the Exchange Rate and Share Exchange Rate in effect at the applicable Closing.

(b) Closing. (i) If an Exchange Request has been delivered pursuant to Section 2.01(a)(i), then (subject to Section 2.01(c)) the Closing of such Exchange shall occur on the date that is the later of (x) the fifth Business Day following the last Business Day of the Fiscal Quarter during which such Exchange Request has been delivered and (y) the fifth Business Day following the date on which the conditions giving rise to any delay pursuant to Section 2.01(a)(ii) cease to exist. Subject to the immediately preceding sentence, parties shall effect the Closing at such time, at such place, and in such manner, as HII shall reasonably specify.

(ii) If HII enters into an agreement to consummate a Business Combination Transaction, HII shall give each Series B Member at least 20 Business Days' notice of the closing thereof, if practicable, and HII shall cause such agreement to provide that, at the request of a Series B Member, such Series B Member shall be entitled to Exchange its Series B Membership Interests (together with a corresponding number of Class B Shares) for Class A Shares immediately prior to the closing of the Business Combination Transaction in order for such Series B Member to be able to receive the amount and type of consideration payable pursuant to such Business Combination Transaction to holders of Class A Shares, and such agreement shall provide that such Series B Member shall be entitled to revoke such request on up to two Business Days' notice to HII prior to the closing thereof. If any Person commences a tender offer or exchange offer for any of the outstanding shares of HII' s stock, HII shall use reasonable efforts to cause such Person to provide that the terms of such offer shall entitle such Series B Member, at the request of such Series B Member, to Exchange its Series B Membership Interests (together with a corresponding number of Class B Shares) for Class A Shares immediately prior to the consummation of such tender offer or exchange offer in order for such Series B Member to participate in such tender offer or exchange offer, and to permit such Series B Member to revoke such request on up to two Business Days' notice to such Person prior to the closing thereof. The Closing for any Exchange occurring pursuant to this Section 2.01(b)(ii) shall occur immediately prior to, but remain subject to the consummation immediately after of, the Business Combination Transaction, tender offer or exchange offer, as applicable, and such Exchange shall be reversed immediately if such Business Combination Transaction, tender offer or exchange offer, as applicable, shall fail to be consummated after such Exchange.

(iii) Upon the occurrence of a Closing, (A) all rights of the Exchanging Series B Member as holder of the Series B Membership Interests (and corresponding number of Class B Shares) being Exchanged shall terminate, (B) the Class B Shares delivered at the Closing shall be automatically cancelled on the books and records of HII and shall no longer be deemed to be issued and outstanding capital stock of HII, (C) the Series B Membership Interests delivered at the Closing shall automatically be cancelled on the books and records of the Company and shall no longer be deemed to be issued and outstanding membership interests of the Company, and (D) such Exchanging Series B Member shall be treated for all purposes as the holder of the Class A Shares delivered at the Closing.

(c) Closing Conditions. (i) The obligation of any of the parties to consummate an Exchange pursuant to this Section 2.01 shall be subject to the condition that there shall be no injunction, restraining order or decree of any nature of any Governmental Entity that is then in effect that restrains or prohibits the Exchange of Series B Membership Interests (together with the corresponding number of Class B Shares) for Class A Shares.

(ii) The obligation of HII to consummate an Exchange pursuant to this Section 2.01 shall be subject to (A) the delivery by the Exchanging Series B Member of the items specified in clauses (i), (ii) and (iii) of Section 2.01(d) and (B) the good faith determination by HII that such Exchange would not violate any contract, commitment, agreement, instrument, arrangement, understanding, obligation, or undertaking to which HII is subject.

(d) Closing Deliveries. At or prior to each Closing, with respect to each Series B Member that requests the Exchange contemplated for such Closing:

(i) to the extent that such Series B Member' s Series B Membership Interests are certificated, such Series B Member shall deliver to HII one or more certificates representing the number of Series B Membership Interests specified in the applicable Exchange Request (or an affidavit of loss in lieu thereof in customary form, but without any requirement to post a bond or furnish any other security), accompanied by security transfer powers, in form reasonably satisfactory to the corporate secretary of HII (the "**Secretary**"), duly executed in blank by such Series B Member or such Series B Member' s duly authorized attorney, to be Exchanged for Class A Shares based on the Exchange Rate in effect at the applicable Closing;

(ii) to the extent such Series B Member' s Class B Shares are certificated, such Series B Member shall deliver to HII one or more certificates representing a number of Class B Shares as determined pursuant to the Share Exchange Rate in effect at the applicable Closing (or an affidavit of loss in lieu thereof in customary form, but without any requirement to post a bond or furnish any other security), accompanied by security transfer powers, in form reasonably satisfactory to the Secretary, duly executed in blank by such Series B Member or such Series B Member' s duly authorized attorney;

(iii) such Series B Member shall represent in writing, and at HII' s request deliver confirmatory evidence reasonably satisfactory to HII, that no Liens exist on the Series B Membership Interests and Class B Shares delivered pursuant to Sections 2.01(d)(i) and 2.01(d)(ii) (other than transfer restrictions imposed by or under applicable securities laws, the LLC Agreement and this Agreement), or that such Liens have been released;

(iv) if such Series B Member delivers to HII, pursuant to Section 2.01(d)(i) or 2.01(d)(ii), a certificate representing a number of Series B Membership Interests or Class B Shares that is greater than the number of Series B Membership Interests or Class B Shares specified in the applicable Exchange Request, HII will deliver (or cause the Company to deliver) to such Series B Member certificates representing the excess Series B Membership Interests or Class B Shares, as applicable; and

(v) HII shall deliver or cause to be delivered to such Series B Member at the then-acting registrar and transfer agent of the Class A Shares or, if there is no then-acting registrar and transfer agent of the Class A Shares, at the principal executive offices of HII, the number of Class A Shares that such Series B Member is entitled to receive for Series B Membership Interests (together with the corresponding number of Class B Shares) in the Exchange.

Section 2.02. *Adjustment.* (a) On the date hereof, the Exchange Rate shall be 1 for 1. The Exchange Rate shall be adjusted accordingly if there is: (i) any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination

(by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the Series B Membership Interests that is not accompanied by an identical subdivision or combination of the Class A Shares; or (ii) any subdivision (by any stock split, stock dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock split, reclassification, reorganization, recapitalization or otherwise) of the Class A Shares that is not accompanied by an identical subdivision or combination of the Series B Membership Interests. If there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Shares are converted or changed into another security, securities or other property, then upon any subsequent Exchange, an Exchanging Series B Member shall be entitled to receive the amount of such security, securities or other property that such Exchanging Series B Member would have received if such Exchange had occurred immediately prior to the effective date of such reclassification, reorganization, recapitalization or other similar transaction, taking into account any adjustment as a result of any subdivision (by any split, distribution or dividend, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of such security, securities or other property that occurs after the effective time of such reclassification, reorganization, recapitalization or other similar transaction. For the avoidance of doubt, if there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Shares are converted or changed into another security, securities or other property, this Section 2.02(a) shall continue to be applicable, *mutatis mutandis*, with respect to such security or other property.

(b) On the date hereof, the Share Exchange Rate shall be 1 for 1. The Share Exchange Rate shall be adjusted accordingly if there is: (i) any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the Series B Membership Interests that is not accompanied by an identical subdivision or combination of the Class B Shares; or (ii) any subdivision (by any stock split, stock dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock split, reclassification, reorganization, recapitalization or otherwise) of the Class B Shares that is not accompanied by an identical subdivision or combination of the Series B Membership Interests. If there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class B Shares are converted or changed into another security, securities or other property, then upon any subsequent Exchange, an Exchanging Series B Member shall be required to tender such securities or other property. For the avoidance of doubt, if there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class B Shares are converted or changed into another security, securities or other property, this Section 2.02(b) shall continue to be applicable, *mutatis mutandis*, with respect to such security or other property.

Section 2.03. *Expiration.* In the event that the Company is dissolved, liquidated or wound up pursuant to the LLC Agreement or otherwise, any Exchange Right shall expire upon final distribution of the assets of the Company pursuant to the terms and conditions of the LLC Agreement.

Section 2.04. *Reservation of Class A Shares; Listing.* HII shall at all times reserve and keep available out of its authorized but unissued Class A Shares, solely for the purpose of issuance upon an Exchange, such number of Class A Shares as shall be issuable upon any such Exchange; *provided* that nothing contained herein shall be construed to preclude HII from satisfying its obligations in respect of any such Exchange by delivery of purchased Class A Shares (which may or may not be held in the treasury of HII). HII shall deliver Class A Shares that have been registered under the Securities Act with respect to any Exchange to the extent a registration statement is effective and available for such shares. If any Class A Shares require registration with or approval of any Governmental Entity under any federal or state law before such Class A Shares may be issued upon an Exchange, HII shall cause such Class A Shares to be duly registered or approved, as the case may be. HII shall use its commercially reasonable efforts to list the Class A Shares required to be delivered upon any such Exchange prior to such delivery upon each national securities exchange upon which the outstanding Class A Shares are listed at the time of such Exchange (it being understood that any such shares may be subject to transfer restrictions under applicable securities laws). HII covenants that all Class A Shares issued upon an Exchange will, upon issuance, be validly issued, fully paid and non-assessable.

Section 2.05. *Recapitalization.* This Agreement shall apply to the Series B Membership Interests held by the Series B Members and their Permitted Transferees as of the date hereof, as well as any Series B Membership Interests hereafter acquired by a Series B Member and its Permitted Transferees. This Agreement shall apply to, *mutatis mutandis*, and all references to "Series B Membership Interests" shall be deemed to include, any security, securities or other property of the Company that may be issued in respect of, in exchange for or in substitution of Series B Membership Interests, by reason of any distribution or dividend, split, reverse split, combination, reclassification, reorganization, recapitalization, merger, exchange (other than an Exchange) or other transaction.

ARTICLE 3
TRANSFER RESTRICTIONS

Section 3.01. *General Restrictions on Transfer*. (a) Each Series B Member understands and agrees that the Class A Shares received by such Series B Member in any Exchange (any such Class A Shares, "**Restricted Class A Shares**") may not be transferred except as permitted by Section 3.02(b) or 3.03.

(b) Without limitation of Section 3.01(a), each Series B Member understands and agrees that, until registered under the Securities Act, the Restricted Class A Shares are restricted securities under the Securities Act and the rules and regulations promulgated thereunder. Each Series B Member agrees that it shall not Transfer any Restricted Class A Shares (or solicit any offers in respect of any Transfer of any Restricted Class A Shares), except in compliance with the Securities Act, any other applicable securities or "blue sky" laws, and the terms and conditions of this Agreement.

(c) Any attempt to transfer any Restricted Class A Shares not in compliance with this Agreement shall be void *ab initio*, and HII shall not, and shall cause any transfer agent not to, give any effect in HII' s stock records to such attempted transfer.

Section 3.02. *Legends*. (a) In addition to any other legend that may be required, subject to Section 3.02(b), each certificate for Restricted Class A Shares issued to a Series B Member (or any of such Series B Member' s Permitted Transferees) shall bear a legend in substantially the following form:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR ANY NON-U.S. OR STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE THEREWITH. THIS SECURITY IS ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER AS SET FORTH IN THE EXCHANGE AGREEMENT DATED AS OF [ ], 2013 AS THE SAME MAY BE AMENDED FROM TIME TO TIME IN ACCORDANCE WITH THE TERMS THEREOF, COPIES OF WHICH MAY BE OBTAINED UPON REQUEST FROM THE CORPORATE SECRETARY OF HEALTH INSURANCE INNOVATIONS, INC. OR ANY SUCCESSOR THERETO.

(b) If any Restricted Class A Share is eligible to be sold pursuant to Rule 144(b)(1) under the Securities Act (or any successor provision), upon the written request of the holder thereof, accompanied (if HII shall so request) by an opinion of counsel reasonably acceptable to HII, HII shall issue to such holder a new certificate evidencing such Restricted Class A Share without the first sentence of the legend required by Section 3.02(a) endorsed thereon. If any Restricted Class A Share ceases to be subject to any and all restrictions on transfer set forth in this Article 3, then HII, upon the written request of the holder thereof, shall issue to such holder a new certificate evidencing such Restricted Class A Share without the second sentence of the legend required by Section 3.02(a) endorsed thereon.

Section 3.03. *Permitted Transferees*. Subject to this Article 3, each Series B Member acquiring Restricted Class A Shares may at any time transfer any or all of its Restricted Class A Shares to one or more of its Permitted Transferees or to any other Person in a transaction not in contravention of, and in accordance with, the LLC Agreement, so long as (a) such transferee shall have agreed in writing to be bound by the terms of this Agreement as provided in Section 4.03 and (b) the transfer to such transferee is in compliance with the Securities Act and any other applicable securities or "blue sky" laws.

ARTICLE 4
OTHER AGREEMENTS; MISCELLANEOUS

Section 4.01. *Expenses.* Each party hereto shall bear its own expenses in connection with the consummation of any of the transactions contemplated hereby, whether or not any such

transaction is ultimately consummated, except that HII shall bear any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, any Exchange and HII shall promptly cooperate in all filings required to be made under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, in connection with any Exchange (but HII shall not be obligated to bear, and shall be reimbursed by the applicable Series B Member for, the expenses of any such filing or of any information request from any Governmental Entity relating thereto); *provided*, *however*, that if any certificate is to be issued pursuant to Section 2.01(d)(v) in a name other than that of the Series B Member that requested the Exchange, then the Person or Persons requesting the issuance thereof shall pay to HII the amount of any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, such Exchange or shall establish to the reasonable satisfaction of HII that such tax has been paid or is not payable.

Section 4.02. *Notices.* All notices, requests, consents and other communications hereunder (each, a "**Notice**") to any party shall be in writing and shall be delivered in person or sent by facsimile (provided a copy is thereafter promptly delivered as provided in this Section 4.02) or nationally recognized overnight courier, addressed to such party at the address or facsimile number set forth in Exhibit A hereto, or below with respect to HII, or such other address or facsimile number as may hereafter be designated in writing by such party to the other parties:

If to HII, to:

15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Telephone: (877) 376-5831
Facsimile: (877) 376-5832
Attention: Michael W. Kosloske

with a copy (which shall not constitute notice to HII) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Telephone: (212) 450-4135
Facsimile: (212) 701-5135
Attention: Deanna Kirkpatrick

Each Notice shall be deemed received on the date sent to the recipient thereof in accordance with this Section 4.02, if sent prior to 5:00 p.m. in the place of receipt and such day is a Business Day; otherwise, such Notice shall be deemed not to have been received until the next succeeding Business Day.

Section 4.03. *Permitted Transferees.* To the extent that a Series B Member (or an applicable Permitted Transferee of such Series B Member) validly transfers after the date hereof

any or all of its Series B Membership Interests and corresponding Class B Shares to a Permitted Transferee of such Person or to any other Person in a transaction not in contravention of, and in accordance with, the LLC Agreement, then the transferee thereof shall have the right to execute and deliver a joinder to this Agreement, in form and substance reasonably satisfactory to HII. Upon execution of any such joinder, such transferee shall, with respect to such transferred Series B Membership Interests and Class B Shares, be entitled to all of the rights and bound by each of the obligations applicable to the relevant transferor hereunder; *provided* that the transferor shall remain entitled to all of the rights and bound by each of the obligations with respect to Series B Membership Interests and Class B Shares that were not so transferred.

Section 4.04. *Severability.* The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or entity or any circumstance, is found to be invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 4.05. *Counterparts.* This Agreement may be executed (including by facsimile transmission with counterpart pages) in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement, it being understood that both parties need not sign the same counterpart.

Section 4.06. *Entire Agreement; No Third Party Beneficiaries.* This Agreement (a) constitutes the entire agreement and supersedes all other prior agreements, both written and oral, among the parties with respect to the subject matter hereof and (b) is not intended to confer upon any Person, other than the parties hereto and their Permitted Transferees, any rights or remedies hereunder.

Section 4.07. *Further Assurances.* Each party hereto shall execute, deliver, acknowledge and file such other documents and take such further actions as may be reasonably requested from time to time by any other party hereto to give effect to and carry out the transactions contemplated herein.

Section 4.08. *Dispute Resolution.* The provisions of Article 13 of the LLC Agreement are hereby incorporated herein in their entirety.

Section 4.09. *Governing Law.* This Agreement and the rights of the parties hereunder will be governed by, construed and enforced in accordance with the laws of the State of New York without regard to conflicts of law principles thereof.

Section 4.10. *Consent to Jurisdiction.* The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought and maintained exclusively in the United States District Court for the Southern District of New York or the Supreme Court of the State of New York located in the County of New York. Each of the parties irrevocably consents to submit to the personal jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding. Process in any such suit, action or proceeding in such courts may be served, and shall be effective, on any party anywhere in the world, whether within or without the jurisdiction of any such court, by any of the methods specified for the giving of Notices pursuant to Section 4.02. Each of the parties irrevocably waives, to the fullest extent permitted by law, any objection or defense that it may now or hereafter have based on venue, inconvenience of forum, the lack of personal jurisdiction and the adequacy of service of process (as long as the party was provided Notice in accordance with the methods specified in Section 4.02) in any suit, action or proceeding brought in such courts.

Section 4.11. *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Section 4.12. *Amendments; Waivers.* (a) No provision of this Agreement may be amended or waived unless such amendment or waiver is approved in writing by HII, the Company and Series B Members holding at least sixty-six and two-thirds percent (66-2/3%) of the outstanding Series B Membership Interests.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 4.13. *Assignment.* Except as contemplated by Section 4.03 and except that the rights to have a legend removed from a certificate representing Restricted Class A Shares in accordance with Section 3.02(b) shall be deemed automatically assigned in connection with any transfer not prohibited hereunder, neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors, assigns and Permitted Transferees.

Section 4.14. *Tax Treatment.* The parties to this Agreement intend that this Agreement shall be treated as part of the partnership agreement of the Company pursuant to Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations promulgated thereunder. Except as otherwise required by applicable law: (a) the parties shall

report an Exchange consummated hereunder as a taxable sale of Series B Membership Interests by a Series B Member to HII (in conjunction with an associated cancellation of Class B Shares); and (b) no party shall take a contrary position on any income tax return, amendment thereof or communication with a taxing authority.

Section 4.15. *Effective Date.* This Agreement shall become effective upon the IPO and shall be of no force and effect prior to the IPO.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized representatives as of the day and year first above written.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name:

Title:

HEALTH PLAN INTERMEDIARIES HOLDINGS, LLC

By: _____

Name:

Title:

HEALTH PLAN INTERMEDIARIES, LLC

By: _____

Name:

Title:

HEALTH PLAN INTERMEDIARIES SUB, LLC

By: _____

Name:

Title:

Exhibit A

Name and Address of Series B Member	Immediately Following IPO	
	Number of Series B Membership Interests Owned	Number of Class B Shares Owned
Health Plan Intermediaries, LLC 15438 N. Florida Avenue, Suite 201 Tampa, Florida, 33613 Facsimile: (877) 376-5832		
Health Plan Intermediaries Sub, LLC 15438 N. Florida Avenue, Suite 201 Tampa, Florida, 33613 Facsimile: (877) 376-5832		

Exhibit 10.15

Form of Agreement

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "**Agreement**") is dated as of [•], 2013, by and between Health Insurance, Innovations, Inc., a Delaware incorporated corporation (the "**Company**"), and Michael D. Hershberger ("**Executive**").

Recitals

A. In connection with its Offering (the "**Offering**"), as defined in Section 2, the Company intends to enter into this employment agreement with Executive, and Executive desires to be hired by the Company, upon the terms and conditions set forth herein, to become effective on the consummation of the Offering; and

C. The Company and Executive agree to protect the interests of the Company and Company' s customers and Confidential Information that may have been or that may be disclosed to Executive as set forth herein.

Agreement

NOW, THEREFORE, in consideration of the mutual promises made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

Section 1. *Employment, Duties and Acceptance.*

(a) The Company shall employ Executive during the Term (as defined below) as Chief Financial Officer, Treasurer and Secretary. Executive shall have such authority and responsibilities as are consistent with the authority and responsibilities of a Chief Financial Officer, Treasurer and Secretary in the health insurance products industry.

(b) Executive hereby accepts such employment and agrees to render Executive' s services to the Company on a full-time basis and to devote Executive' s full business time and attention to the business and affairs of the Company and any subsidiary or affiliate of the Company. Executive agrees that at all times during the term hereof, Executive will faithfully perform the duties assigned by the Company to the best of Executive' s ability. Executive further agrees to accept election and to serve during all or any part of the Term as an officer, director or representative of any subsidiary or affiliate of the Company, without any compensation therefor other than that specified in this Agreement. Executive shall report directly to the Company' s Chief Executive Officer.

(c) The duties to be performed by Executive hereunder shall be performed primarily at the Company' s principal offices in Tampa, Florida subject to reasonable travel requirements on behalf of the Company. Executive shall be entitled to an annual vacation of 22 days in accordance with the Company' s policies and practices; *provided* that Executive shall schedule the timing and duration of Executive' s vacations in a reasonable manner taking into account the needs of the business of the Company.

(d) Executive acknowledges that from time to time the Company may promulgate workplace policies and rules. Executive agrees to fully comply with all such policies and rules, and understands that failure to do so may result in a disciplinary action up to and including immediate discharge for Cause.

Section 2. *Term.* As used herein, the "**Term**" means the period commencing as of the consummation date of an underwritten initial public offering of not less than 4,000,000 shares of Company Class A common stock not later than June 1, 2013 (such date of consummation, the "**Effective Date**"), and such offering, the "**Offering**", and ending on December 31, 2013. The Term shall be automatically extended for successive one-year periods unless Executive or the Company gives written notice of termination on or before the 30th day prior to the expiration of any Term of its desire not to renew the Term. Any such renewal shall be upon the terms and conditions set forth herein unless otherwise agreed between the Company and Executive. In the event that the Company gives written notice that it does not intend to renew the Term, following the end of the Term, the Company shall pay to Executive an amount equal to one-twelfth of Executive' s annual Salary hereunder (at the rate then in effect) payable monthly in accordance with the Company' s existing payroll practices for the period commencing on the Termination Date and ending 12 months after the Termination Date. As a condition to the Company' s obligations, if any, to make severance payments under this Section 2, Executive shall have executed, delivered and revoked a general release in the form attached hereto as Exhibit A. For the avoidance of doubt, this Agreement shall have no force or effect until the Effective Date.

Section 3. *Compensation.* Executive shall be entitled to the following compensation:

(a) The Company agrees to pay to Executive a salary in cash (the "**Salary**"), as compensation for the services to be performed by Executive, at the rate of $200,000 per calendar year, paid in accordance with the Company' s customary payroll procedures and subject to customary withholding. During the Term, the Board shall have the right to increase, but not decrease, the Salary. Executive' s salary as in effect from time to time shall constitute the "**Salary**" for purposes of this Agreement.

(b) The Company shall reimburse Executive for all reasonable expenses incurred by Executive in the course of performing Executive' s duties under this Agreement that are consistent with the Company' s policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company' s requirements with respect to reporting and documentation of such expenses.

(c) (i) The Company shall use its best efforts to cause the grant to Executive [under a compensatory equity incentive plan to be adopted by the Company prior to the Effective Date] of restricted shares of the Company' s Class A Common Stock, vesting, as set forth below, subject in each case to Executive' s continued employment on the relevant vesting date:

Number of Shares	Vesting Date
[10%]	[Six month anniversary of Effective Date]
[10%]	[First anniversary of Effective Date]
[10%]	[Second anniversary of Effective Date]
[10%]	[Third anniversary of Effective Date]
[10%]	[Fourth anniversary of Effective Date]
[50%]	[Fifth anniversary of Effective Date]

(ii) Executive shall be eligible to participate in any equity incentive plan to be adopted in connection with the Offering, in accordance with its terms. Executive shall be eligible for an annual bonus and long term incentive awards as determined at the sole discretion of the Company' s board of directors (the "**Board**").

(d) Executive shall be entitled to all rights and benefits for which Executive shall be eligible under any retirement, retirement savings, profit-sharing, pension or welfare benefit plan, life, disability, health, dental, hospitalization and other forms of insurance and all other so-called "fringe" benefits or perquisites (except for with respect to any plan that provides severance or other similar benefits), on the same terms that the Company provides to any other similarly situated senior Company executive (subject to all restrictions on participation that may apply under federal and state tax laws).

Section 4. *Termination.*

(a) *Events of Termination*. Executive' s employment with the Company shall terminate (the date of such termination being the "**Termination Date**") immediately upon any of the following:

(i) Executive' s death ("**Termination Upon Death**");

(ii) the effective date of a written notice sent to Executive stating the Company' s determination, made in good faith, that due to a mental or physical condition, Executive has been unable and failed to substantially render the services to be provided by Executive to the Company for a period of at least 180 days out of any consecutive 360 days ("**Termination For Disability**");

(iii) the effective date of a written notice sent to Executive stating the Company' s determination, made in good faith, that it is terminating Executive' s employment for Cause (as defined below) ("**Termination For Cause**");

(iv) the effective date of a notice sent to Executive stating that the Company is terminating Executive' s employment without Cause, which notice can be given by the Company at any time after the Effective Date at the Company' s sole discretion, for any reason or for no reason ("**Termination Without Cause**");

(v) the effective date of a notice (other than a notice delivered pursuant to Section 4(a)(vi) of this Agreement) sent to the Company from Executive stating that Executive is electing to terminate Executive' s employment with the Company without Good Reason ("**Resignation Without Good Reason**"); or

(vi) the effective date of a written notice to Company stating Executive' s determination, made in good faith, that a Good Reason Event (as defined below) has occurred within 30 days preceding such notice and as a consequence Executive is electing to terminate Executive' s employment hereunder for Good Reason ("**Resignation For Good Reason**"); *provided*, *however*, that Executive will give the Company 30 days to cure such Good Reason Event, and if the Company fails to cure such Good Reason Event within 30 days after Executive gives written notice of resignation hereunder, then Executive may immediately terminate Executive' s employment with the Company, and such termination will be a Resignation For Good Reason hereunder; *provided*, *further*, that Executive' s termination shall be deemed a Termination For Cause if the Company has delivered to Executive written notice of any act or omission that, if not cured, would constitute Cause at any time preceding the notice provided by Executive hereunder.

As used herein, the term "**Cause**" shall mean (i) commission of a willful act of dishonesty in the course of Executive' s duties hereunder, (ii) conviction by a court of competent jurisdiction of, or plea of no contest to, a crime constituting a felony or conviction in respect of, or plea of no contest to, any act involving fraud, dishonesty or moral turpitude, (iii) Executive' s performance under the influence

of controlled substances (other than those taken pursuant to a medical doctor' s orders), or continued habitual intoxication, during working hours, (iv) frequent or extended, and unjustifiable, absenteeism, (v) Executive' s personal misconduct or refusal to perform duties and responsibilities or to carry out directives of the Company, which, if capable of being cured shall not have been cured, within 5 days after the Company shall have advised Executive in writing of its intention to terminate Executive' s employment, (vi) serious neglect or misfeasance by Executive in performance of Executive' s duties that, in the reasonable judgment of the Board, has resulted in, or may reasonably be expected to have, an adverse effect on the business or reputation of the Company or any of its subsidiaries or affiliates, or (vii) material non-compliance with the terms of this Agreement.

As used herein, the term "**Good Reason Event**" shall mean (i) a material adverse change in the responsibilities or duties of Executive as set forth in this Agreement without Executive' s prior consent at a time when there are no circumstances pending that would permit the Board to terminate Executive for Cause, (ii) any reduction in the Salary or a material reduction in Executive' s benefits (other than (x) a reduction in Salary that is the result of an administrative or clerical error, and which is cured within 15 business days after the Company receives notice of such failure or (y) a reduction in Salary or benefits that are generally applicable to all members of the Company' s senior management) or (iii) a material breach by the Company of this Agreement that is not cured within 30 days following the Company' s receipt of written notice of such breach from Executive.

(b) *Effect of Termination*.

(i) *Death or Disability*. In the event of Termination Upon Death or Termination For Disability pursuant to Sections 4(a)(i) and 4(a)(ii) of this Agreement, Executive (or Executive' s legal representative) shall be entitled to receive in cash the following:

(A) an amount equal to any earned but unpaid Salary owing by the Company to Executive as of the Termination Date (the "**Accrued Salary**"), and

(B) to the extent set forth in any written management bonus plan, an amount equal to the pro rata portion, determined as of the Termination Date, of any bonus to which Executive would have been entitled had Executive been employed by the Company at the time such bonus would have otherwise been paid (the "**Accrued Bonus**").

Nothing contained herein shall be deemed to limit or abrogate any insurance or other similar benefits available to Executive.

(ii) *Termination For Cause*. In the event of a Termination For Cause pursuant to Section 4(a)(iii) of this Agreement, Executive shall be entitled to receive in cash an amount equal to any Accrued Salary.

(iii) *Termination Without Cause and Resignation For Good Reason*. In the event of Termination Without Cause or Resignation For Good Reason pursuant to Sections 4(a)(iv) and 4(a)(vi) of this Agreement, Executive shall be entitled to receive in cash, subject to Section 4(c)(ii) of this Agreement:

(A) an amount equal to any Accrued Salary;

(B) an amount equal to any Accrued Bonus; and

(C) an amount equal to one-twelfth of Executive' s annual Salary hereunder (at the rate then in effect) payable monthly for the period commencing on the Termination Date and ending 12 months after the Termination Date.

(iv) *Resignation Without Good Reason*. In the event of Resignation Without Good Reason pursuant to Section 4(a)(v) of this Agreement, Executive shall be entitled to receive in cash an amount equal to any Accrued Salary.

(v) *Upon Termination For Any Reason*. In the event of any termination, Executive shall be entitled to receive:

(A) any unpaid reasonable, reimbursable business expenses incurred by Executive in the course of performing Executive' s duties under this Agreement that were incurred in a manner consistent with the Company' s policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company' s requirements with respect to incurring, reporting and documenting such expenses; and

(B) benefits under the Company' s benefit plans of general application as shall be determined under the provisions of those plans.

(c) *Additional Provisions*.

(i) Any amounts to be paid pursuant to this Section 4 shall be paid in accordance with the Company' s existing payroll or bonus payment practices, as applicable.

(ii) As a condition to the Company' s obligations, if any, to make any Accrued Bonus and severance payments provided under this Section 4, Executive shall have executed, delivered and not revoked a general release in the form attached hereto as Exhibit A.

(iii) Notwithstanding any provision of this Agreement, the obligations and commitments under Section 5 of this Agreement shall survive and continue in full force and effect in accordance with their terms notwithstanding any termination of Executive' s employment for any reason or termination of this Agreement for any reason.

(iv) Notwithstanding anything in this Agreement to the contrary, the Company shall have no obligation to pay any amounts payable under Sections 4(b)(i)(B), 4(b)(iii)(B) or 4(b)(iii)(C) of this Agreement during such times as Executive is in breach of Section 5 of this Agreement, after the Company provides Executive with notice of such breach.

(v) Executive agrees that termination of Executive' s employment for any reason shall, with no further action by Executive required, constitute Executive' s resignation, as of the Termination Date and to the extent applicable, from all positions as an officer, director or representative of the Company and any subsidiary or affiliate of the Company.

Section 5. *Noncompetition, Nonsolicitation And Confidentiality.*

(a) Definitions.

"**Company' s Business**" means (i) developing and administering web-based individual health insurance plans and ancillary health insurance products, (ii) designing and structuring data-driven insurance products on behalf of the Company' s insurance carrier, (iii) marketing insurance products through the Company' s distribution networks, (iv) managing member relations through the Company' s technology platform, and (v) any other business or commercial activity conducted on or after the Effective Date, in each case as conducted by the Company or any subsidiary or affiliate of the Company.

"**Competitor**" means any company, other entity or association or individual that directly or indirectly is engaged in the Company' s Business.

"**Confidential Information**" means any confidential information with respect to the Company' s Business and/or the businesses of its clients or customers, including, but not limited to: the trade secrets of the Company; products or services; standard proposals; standard submissions, surveys and analyses; Commercial Lines Quality Assurance Manual; Claims Services

Department Procedures and Quality Assurance Manual; Surety Quality Assurance Manual; policy forms; fees, costs and pricing structures; marketing information; advertising and pricing strategies; analyses; reports; computer software, including operating systems, applications and program listings; flow charts; manuals and documentation; data bases; all copyrightable works; the Company' s existing and prospective clients and customers, their addresses or other contact information and/or their confidential information; existing and prospective client and customer lists and other related data; expiration periods; policy numbers; coverage specifications; daily reports and related correspondence; premium renewal notices; and all similar and related information in whatever form. The term Confidential Information does not include, and there shall be no obligation hereunder with respect to, information that (i) is generally available to the public on the date of this Agreement, (ii) becomes generally available to the public other than as a result of a disclosure by Executive not otherwise permissible hereunder or (iii) Executive learns from other sources where, to Executive' s knowledge, such sources have not violated their confidentiality obligation to the Company or any other applicable obligation of confidentiality.

(b) *Noncompetition*. Executive covenants and agrees that during the period commencing on the Effective Date and ending two years following the Termination Date (the "**Restricted Period**"), Executive will not, directly or indirectly, own, manage, operate, control, render service to, or participate in the ownership, management, operation or control of any Competitor anywhere in the United States of America; *provided, however*, that Executive shall be entitled to own shares of stock of any corporation having a class of equity securities actively traded on a national securities exchange or on the Nasdaq Stock Market which represent, in the aggregate, not more than 1% of such corporation' s fully-diluted shares.

(c) *Nonsolicitation of Employees*. Executive covenants and agrees that during the Restricted Period, Executive will not, directly or indirectly, employ or solicit, or receive or accept the performance of services by any then current officer, manager, employee or independent contractor of the Company or any subsidiary or affiliate of the Company, or in any way interfere with the relationship between the Company or any subsidiary or affiliate of the Company, on the one hand, and any such officer, manager, employee or independent contractor, on the other hand.

(d) *Nonsolicitation of Customers and Vendors*. Executive covenants and agrees that during the Restricted Period, Executive will not, directly or indirectly, induce, or attempt to induce, any customer, salesperson, distributor, supplier, vendor, manufacturer, representative, agent, jobber, licensee or other person transacting business with the Company or any subsidiary or affiliate of the Company (collectively the "**Customers**" and "**Vendors**") to reduce or cease doing business with the Company or any such subsidiary or affiliate of the

Company, or in any way to interfere with the relationship between any such Customer or Vendor, on the one hand, and the Company or any subsidiary or affiliate of the Company, on the other hand.

(e) *Representations and Covenants by Executive*. Executive represents and warrants that: (i) Executive' s execution, delivery and performance of this Agreement do not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which Executive is bound; (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity (other than the Company) and Executive is not subject to any other agreement that would prevent Executive from performing Executive' s duties for the Company or otherwise complying with this Agreement; (iii) Executive is not subject to or in breach of any nondisclosure agreement, including any agreement concerning trade secrets or confidential information owned by any other party; and (iv) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive, enforceable in accordance with its terms.

(f) *Nondisclosure of Confidential Information*. Executive hereby acknowledges and represents that Executive has consulted with independent legal counsel regarding Executive' s rights and obligations under this Agreement and that Executive fully understands the terms and conditions contained herein and Executive agrees that Executive will not, directly or indirectly: (i) use, disclose, reverse engineer or otherwise exploit for Executive' s own benefit or for the benefit of anyone other than the Company the Confidential Information except as authorized by the Company; (ii) during Executive' s employment with the Company, use, disclose, or reverse engineer (x) any confidential information or trade secrets of any former employer or third party, or (y) any works of authorship developed in whole or in part by Executive during any former employment or for any other party, unless authorized in writing by the former employer or third party; or (iii) upon Executive' s resignation or termination (x) retain Confidential Information, including any copies existing in any form (including electronic form), that are in Executive' s possession or control, or (y) destroy, delete or alter the Confidential Information without the Company' s consent. Notwithstanding the foregoing, Executive may use the Confidential Information in the course of performing Executive' s duties on behalf of the Company or any subsidiary or affiliate of the Company as described hereunder, *provided* that such use is made in good faith. Executive will immediately surrender possession of all Confidential Information to Company upon any suspension or termination of Executive' s employment with Company for any reason.

(g) *Inventions and Patents*. Executive acknowledges that all (i) inventions, innovations, improvements, developments, methods, designs, analysis, drawings, reports, processes, novel concepts and all similar or related

information (whether or not patentable) that relate to the Company' s or any of its subsidiary' s or affiliate' s actual or anticipated businesses, (ii) research and development and (iii) existing or future products or services that are, to any extent, conceived, developed or made by Executive while employed by the Company or any subsidiary or affiliate of the Company ("**Work Product**") belong to the Company or such subsidiary or affiliate. Executive shall promptly disclose such Work Product to the Board and perform all actions reasonably necessary or requested by the Board (whether during or after the Term) to establish and confirm such ownership (including, without limitation, executing assignments, consents, powers of attorney and other instruments).

(h) *Miscellaneous*.

(i) Executive acknowledges that (x) Executive' s position is a position of trust and responsibility with access to Confidential Information of the Company, (y) the Confidential Information, and the relationship between the Company and each of its employees, Customers and Vendors, are valuable assets of the Company and may not be converted to Executives own use and (z) the restrictions contained in this Section 5 are reasonable and necessary to protect the legitimate business interests of the Company and will not impair or infringe upon Executive' s right to work or earn a living after Executive' s employment with the Company ends.

(ii) Each of the foregoing obligations shall be enforceable independent of any other obligation, and the existence of any claim or cause of action that Executive may have against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of these obligations.

(iii) Executive acknowledges that monetary damages will not be an adequate remedy for the Company in the event of a breach of this Agreement and that it would be impossible for the Company to measure damages in the event of such a breach. Therefore, Executive agrees that, in addition to other rights that the Company may have at law or equity, the Company is entitled, without posting bond, to an injunction preventing Executive from any breach of this Agreement.

(iv) In the event of a breach or violation by Executive during the Restricted Period of any restriction in Section 5(b), (b) or (d) of this Agreement, the Restricted Period shall be tolled until such breach or violation has been cured.

(v) The parties intend to provide the Company with the maximum protection possible with respect to its Customers and Vendors. The parties, however, do not intend to include a provision that contravenes

the public policy of any state. Therefore, if any provision of this Section 5 is unlawful, against public policy or otherwise declared void, such provision shall not be deemed part of this Agreement, which otherwise shall remain in full force and effect. If, at the time of enforcement of this Agreement, a court or other tribunal holds that the duration, scope or area restriction stated herein is unreasonable under the circumstances then existing, the parties agree that the court should enforce the restrictions to the extent it deems reasonable.

(vi) Executive hereby agrees that prior to accepting employment with any other person or entity during the Term or during the Restricted Period following the Termination Date, Executive will provide such prospective employer with written notice of the existence of this Agreement and the provisions of this Section 5 of this Agreement, with a copy of such notice delivered simultaneously to the Company in accordance with Section 10 of this Agreement.

(vii) Notwithstanding any provision of this Agreement, the obligations and commitments of this Section 5 shall survive and continue in full force and effect in accordance with their terms notwithstanding any termination of Executive' s employment for any reason or termination of this Agreement for any reason.

Section 6. *Withholding Taxes.* Prior to making any payments required to be made pursuant to this Agreement, the Company may require that the Company be reimbursed in cash for any taxes required by any government to be withheld or otherwise deducted and paid by the Company in respect of such payment by the Company. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any sums due or to become due from it to Executive.

Section 7. *Expenses.* In the event of any legal action to enforce Executive' s or the Company' s rights under this Agreement, each party will be responsible for that party' s attorneys' fees, expenses and disbursements.

Section 8. *Assignment.* This Agreement is binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Executive shall not assign or transfer any rights or obligations hereunder. The Company shall have the right to assign or transfer any rights or obligations hereunder only to (a) a successor entity in the event of a merger, consolidation, or transfer or sale of all or substantially all the assets of the Company or (b) an affiliate of the Company. Any purported assignment, other than as provided above, shall be null and void.

Section 9. *Indemnification.* The Company shall indemnify Executive for any act or omission done or not done in performance of Executive' s duties

hereunder in accordance with the Company' s by-laws to the extent provided for any other officer or member of the Board of the Company. The Company' s obligations under this Section 9 shall survive any termination of this Agreement or Executive' s employment hereunder.

Section 10. *Notices.* All notices, requests, consents and other communications required or permitted to be given hereunder, shall be in writing and shall be delivered personally or sent by prepaid telegram, telex, facsimile transmission, overnight courier or mailed, first class, postage prepaid by registered or certified mail, as follows:

If to the Company: Health Insurance Innovations, Inc.
15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Attention: Michael Hershberger
Telecopy: (877) 376-5832
with a copy to (which shall not constitute notice hereunder): Gary Raeckers

If to Executive: To Executive' s address as reflected on the payroll records of the Company

or such other address as either party shall designate by notice in writing to the other in accordance herewith. Any such notice shall be deemed given when so delivered personally, by telex, facsimile transmission or telegram, or if sent by overnight courier, one day after delivery to such courier by the sender or if mailed, five days after deposit by the sender in the U.S. mails.

Section 11. *Entire Agreement.* This Agreement shall constitute the entire agreement between Executive and the Company concerning the subject matter hereof. This Agreement supersedes and preempts any prior employment agreement or other understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing, signed by Executive and an authorized officer of the Company.

Section 12. *Governing Law.* This Agreement shall be subject to and governed by the laws of the State of Florida, without giving effect to the principles of conflicts of law under Florida law irrespective of the fact that the parties now or at any time may be residents of or engage in activities in a different state. Employee agrees that in the event of any dispute or claim arising under this Agreement, jurisdiction and venue shall be vested and proper, and Employee hereby consents to the jurisdiction of any court sitting in the State of Florida, including a federal district court.

Section 13. *Full Settlement.* Executive acknowledges and agrees that, subject to the payment by the Company of the benefits provided in this Agreement to Executive, in no event will the Company nor any subsidiary or affiliate thereof be liable to Executive for damages under any claim of breach of contract as a result of the termination of Executive' s employment. In the event of any such termination, the Company shall be liable only to provide to Executive, or Executive' s heirs or beneficiaries, the benefits specified in this Agreement.

Section 14. *Strict Compliance.* Executive' s or the Company' s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Executive or the Company may have hereunder shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement. The waiver, whether express or implied, by either party of a violation of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent violation of any such provision.

Section 15. *Creditor Status.* No benefit or promise hereunder shall be secured by any specific assets of the Company. Executive shall have only the rights of an unsecured general creditor of the Company in seeking satisfaction of such benefits or promises.

Section 16. *Section 409A.* This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**"), and shall be construed accordingly. Any payments or distributions to be made to Executive under this Agreement upon a separation from service of amounts classified as "nonqualified deferred compensation" for purposes of Section 409A, shall in no event be made or commence until six months after such separation from service if Executive is determined to be a specified Executive of a public company (all as determined under Section 409A). Each payment of nonqualified deferred compensation under this Agreement shall be treated as a separate payment for purposes of Section 409A. Any reimbursements made pursuant to this Agreement shall be paid as soon as practicable but no later than 90 days after Executive submits evidence of such expenses to the Company (which payment date shall in no event be later than the last day of the calendar incurred). The amount of such reimbursements paid and any in-kind benefits the year following the calendar year in which the expense was provided during any calendar year shall not affect the reimbursements paid or in-kind benefits provided in any other calendar year, and the right to any such payments and benefits shall not be subject to liquidation or exchange for another payment or benefit.

Section 17. *Cooperation*. Executive agrees to provide assistance to and cooperate with the Company upon its reasonable request with respect to matters within the scope of Executive' s duties and responsibilities during the Restricted Period. During such Period, the Company shall, to the maximum extent

coordinate or cause any such request with Executive' s other commitments and responsibilities to minimize the degree to which such request interferes with such commitments and responsibilities. The Company agrees that it will reimburse Executive for reasonable documented travel expenses (*i.e.*, travel, meals and lodging) that Executive may incur in providing assistance to the Company hereunder.

Section 18. *Non-disparagement*. Executive agrees to not make any statements, written or oral, while employed by the Company and thereafter, which would be reasonably likely to disparage or damage the Company, its affiliates or the personal or professional reputation of any present or former employees, officers or members of the managing or directorial boards or committees of the Company or its affiliates. The Company agrees that it will instruct each of its officers and members of its managing board not to make any disparaging communication regarding Executive, and no director, officer or employee of the Company will be authorized on the Company' s behalf to make any such disparaging communications regarding Executive.

Section 19. *Recoupment*. If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, and if the Executive knowingly or grossly negligently engaged in the misconduct, or knowingly or grossly negligently failed to prevent the misconduct, or if the Executive is one of the individuals subject to automatic forfeiture under, Section 304 of the United States Sarbanes-Oxley Act of 2002 (and not otherwise exempted), the Executive shall reimburse the Company the amount of any payment in settlement of any earned or accrued during the twelve-month period following the first public issuance or filing with the United States Securities and Exchange Commission (whichever first occurred) of the financial document not in compliance with such financial reporting requirement. Such payments shall be subject to repayment to or recoupment (clawback) by the Company in accordance with such policies and procedures as the Committee or Board may adopt from time to time, including policies and procedures to implement applicable law (including. but not limited to Section 954 of the Dodd-Frank Act), stock market or exchange rules and regulations or accounting or tax rules and regulations.

Section 20. *Survival.* Any provision of this Agreement that is expressly or by implication intended to survive the termination of this Agreement shall survive or remain in effect after the termination of this Agreement.

Section 21. *Counterparts.* This Agreement may be executed in two or more counterparts, anyone of which need not contain the signature of more than one party, but all such counterparts taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name:

Title:

EXECUTIVE

_____

Michael D. Hershberger

[SIGNATURE PAGE TO EMPLOYMENT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name:

Title:

EXECUTIVE

_____

Michael D. Hershberger

[SIGNATURE PAGE TO EMPLOYMENT AGREEMENT]

EXHIBIT A
FORM OF RELEASE

This RELEASE ("**Release**") is granted effective as of the day of , 20 by (the "**Executive**") in favor of Health Insurance Innovations, Inc. (the "**Company**") and the other Released Parties (as defined below). This is the Release referred to in the Employment Agreement, dated as of [ ], between the Company and the Executive (the "**Employment Agreement**"). The Executive gives this Release in consideration of the Company' s promises and covenants contained in the Employment Agreement, with respect to which this Release is an integral part.

1. *Release of the Company*. The Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, Executives, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the "**Released Parties**"), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorney' s fees and costs, or liabilities whatsoever, in law or in equity, which the Executive ever had or now has against the Released Parties, arising by reason of or in any way connected with or which may be traced either directly or indirectly to the employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors and the Executive, or the termination of that relationship, that the Executive has, had or purports to have, from the beginning of time to the date of this Release, whether known or unknown, that now exists, no matter how remotely they may be related to the aforesaid employment relationship including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq*. or the Americans With Disabilities Act, 42 U.S.C. § 12101, *et seq*.; claims for statutory or common law wrongful discharge, including any claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201, *et seq.*; claims for attorney' s fees, expenses and costs; claims for defamation; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and *provided*, *however*, that nothing herein shall release the Company of its obligations to the Executive under the Employment Agreement or any other contractual obligations between the Company or its affiliates and the Executive, or any indemnification obligations to the Executive under the Company' s bylaws or operating agreement or federal, state or local law or otherwise.

2. *Release of Claims Under Age Discrimination in Employment Act*. Without limiting the generality of the foregoing, the Executive agrees that by

[SIGNATURE PAGE TO EMPLOYMENT AGREEMENT]

executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq*. It is understood that the Executive has been advised to consult with an attorney prior to executing this Release; that he in fact has consulted a knowledgeable, competent attorney regarding this Release; that he may, before executing this Release, consider this Release for a period of 21 calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven calendar days after the execution of this Release and that the Executive may revoke this Release within seven calendar days from the date of execution hereof.

The Executive agrees that he has carefully read this Release and is signing it voluntarily. The Executive acknowledges that he has had 21 days from receipt of this Release to review it prior to signing or that, if the Executive is signing this Release prior to the expiration of such 21- day period, the Executive is waiving his right to review the Release for such full 21-day period prior to signing it. The Executive has the right to revoke this release within seven days following the date of its execution by him. However, if the Executive revokes this Release within such seven-day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

THE EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. THE EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

_____

Name of Executive:

Date:

Exhibit 10.21

Form of Agreement

HEALTH INSURANCE INNOVATIONS, INC.
LONG TERM INCENTIVE PLAN

Restricted Stock Award Agreement

You have been granted Restricted Stock (this "**Award**") on the following terms and subject to the provisions of Attachment A and the Long Term Incentive Plan (the "**Plan**") of Health Insurance Innovations, Inc. (the "**Company**"). Unless defined in this Award agreement (including Attachment A, this "**Agreement**"), capitalized terms will have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan will prevail.

Participant	Michael D. Hershberger
Number of Shares Underlying Award	[●] Shares (to the extent not vested as of any applicable date, the "**Restricted Shares**")
Grant Date	[●], 2013

Vesting Schedule
(subject to Section 3 of Attachment A)

Vesting	Subject to Section 3 of Attachment A, 20% of the Restricted Shares shall vest and become non-forfeitable on the six-month anniversary of the Grant Date, with the balance vesting and becoming non-forfeitable in four equal tranches on the first day of October, 2013, 2014, 2015 and 2016.

Restricted Stock Award Agreement
Terms and Conditions

Grant to: Michael D. Hershberger

Section 1. *Grant of Restricted Stock Award.* Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants this Award to the Participant on the Grant Date on the terms set forth on the cover page of this Agreement, as more fully described in this Attachment A. This Award is granted under the Plan, which is incorporated herein by this reference and made a part of this Agreement.

Section 2. *Issuance of Shares.*

(a) The Restricted Shares shall be evidenced by entry into the register of members of the Company; *provided*, *however*, that the Committee may determine that the Restricted Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. In the event that any share certificate is issued in respect of the Restricted Shares, such certificate shall (i) be registered in the name of the Participant, (ii) bear an appropriate legend referring to the terms, conditions and restrictions applicable to the Restricted Shares and (iii) be held in custody by the Company.

(b) *Voting Rights*. The Participant shall not have voting rights with respect to the Restricted Shares.

(c) *Dividends*. The Participant shall not have dividend rights with respect to the Restricted Shares.

(d) *Transferability*. Unless and until the Restricted Shares become vested in accordance with this Agreement, the Restricted Shares shall not be assigned, sold, transferred or otherwise be subject to alienation by the Participant.

(e) *Section 83(b) Election*. If the Participant chooses, the Participant may make an election under Section 83(b) of the Code with respect to the Restricted Shares, which would cause the Participant currently to recognize income for U.S. federal income tax purposes in an amount equal to the excess (if any) of the Fair Market Value of the Restricted Shares (determined as of the Grant Date) over the amount, if any, that the Participant paid for the Restricted Shares, which excess will be subject to U.S. federal income tax. The form for making a Section 83(b) election is available from the Company at the address indicated in Section 4(a). **The Participant acknowledges that (i) the Participant is solely responsible for the decision whether or not to make a Section 83(b) election, and the Company is not making any recommendation with respect thereto, (ii) it is the Participant' s sole responsibility to timely file the Section 83(b)**

election within 30 days after the Grant Date, if the Participant decides to make such election, and (iii) if the Participant does not make a valid and timely Section 83(b) election, the Participant will be required to recognize ordinary income at the time of vesting on any future appreciation on the Restricted Shares.

(f) *Withholding Requirements*. The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the Restricted Shares (or any dividend or distribution thereon), and the Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Committee, in its sole discretion, may permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is equal to the minimum amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

Section 3. *Accelerated Vesting and Forfeiture upon Termination of Service.*

(a) *Death, Disability, without Cause or for Good Reason*. In the event of the Participant' s Termination of Service at any time due to the Participant' s death or Disability, by the Company or any Affiliate without Cause or by the Participant' s Resignation for Good Reason, the Restricted Shares shall fully vest and become non-forfeitable on the date of any such termination. For purposes of this Agreement, Cause and Resignation for Good Reason shall have the respective meanings set forth in the Employment Agreement between the Participant and the Company.

(b) *For Any Other Reason*. In the event of the Participant' s Termination of Service at any time under circumstances not described in Section 3(a), the Restricted Shares shall be forfeited in their entirety without any payment to the Participant.

(c) *Effect of Vesting*. Subject to the provisions of this Agreement, upon the vesting of any of the Restricted Shares, the restrictions under this Award with respect to such Shares shall lapse. Subject to any applicable Lock Up Agreement, such Shares shall be fully assignable, saleable and transferable by the Participant, and the Company shall deliver such Shares to the Participant by transfer to the Depository Trust Company for the benefit of the Participant or by delivery of a share certificate registered in the Participant' s name and such transfer shall be evidenced in the register of members of the Company.

Section 4. *Miscellaneous Provisions*.

(a) *Notices*. All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Health Insurance Innovations, Inc.
15438 N. Florida Avenue, Suite 201
Tampa, Florida, 33613
Attention: Michael W. Kosloske
Telecopy: (877) 376-5832
with a copy to (which shall not constitute notice hereunder):

Gary Raeckers

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement*. This Agreement, the Plan and any other agreements referred to herein and therein and any attachments referred to herein or therein, constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver*. No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Committee may amend or modify this Agreement without the Participant' s consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Assignment*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(e) *Successors and Assigns; No Third Party Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on anyone other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(g) *Plan.* The Participant acknowledges and understands that material definitions and provisions concerning this Award and the Participant' s rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(h) *Governing Law*. The Agreement shall be governed by the laws of the State of Florida, without application of the conflicts of law principles thereof.

(i) *No Right to Continued Service*. The granting of the Award evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to continue the service of the Participant and shall not lessen or affect the right that the Company or any Affiliate may have to terminate the service of such Participant.

(j) *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

HEALTH INSURANCE INNOVATIONS, INC.

By: _____

Name:

Title:

PARTICIPANT

_____

Name:

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated December 20, 2012, in Amendment No. 1 to the Registration Statement (Form S-1 No. 333-185596) and related Prospectus of Health Plan Intermediaries, LLC d/b/a Health Insurance Innovations dated January 11, 2013 for the registration of shares of its common stock.

/s/ Ernst & Young LLP
Certified Public Accountants

Tampa, Florida
January 11, 2013