



AGENT AGREEMENT

This AGENT AGREEMENT (the "Agreement") is made as of _____ between **American Special Risk, LLC** (hereinafter referred to as "ASR") and _____ (hereinafter referred to as the "Agent").

RECITALS

WHEREAS, ASR is engaged in the business of selling, procuring, and placing property, casualty and other insurance on a wholesale basis; and

WHEREAS, ASR is an agent and/or Agent for certain insurance companies from who and on whose behalf it procures, sells and places property and casualty insurance; and

WHEREAS, Agent has requested that from time to time ASR place with the carriers it represents property and casualty insurance for Agent's customers and ASR has agreed to do so subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and for other good, valuable and legal consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Policy Premiums and Miscellaneous Charges:** Agent shall be responsible to ASR for the payment of all premiums due on any and all binders and policies issued at the request of the Agent. The term "Premiums Due" as used herein shall include: the binder or policy premium; applicable state taxes; all tax filing fees; policy and inspection fees; earned premiums and/or commissions on any and all binders or policies issued at the request of the Agent; and unearned commissions due ASR on binders or policies that have been cancelled.
2. **Payment of Policy Premiums:** Premiums Due shall be paid by Agent to and received by ASR by the due date indicated on the invoice or statement, whichever is earlier. Agent shall remit all premiums to ASR on a net of commission basis. Notwithstanding anything to the contrary in this section, all deposit premiums or special billed items, as may be from time to time required by ASR's insurers, shall be paid by Agent at the time and in the manner specified by ASR. If Agent shall extend credit to the insured, it shall be the Agent's sole risk and premiums shall be paid to ASR by the Agent when due, whether or not they are collected by the Agent and whether or not the Agent has extended credit to the insured.
3. **Binding:** No risk shall be bound by Agent without the express written authorization of ASR and further subject to the acceptance and consent of ASR's insurers. Nothing in this Agreement shall entitle Agent to bind ASR or any of ASR's insurers.

4. **Ownership of Business:** ASR expressly recognizes and acknowledges Agent's ownership of all business placed under this Agreement by Agent. Notwithstanding such ownership, the parties hereto agree that in the event there are any Premiums Due to ASR at the termination for any reason of this Agreement, ASR shall have the exclusive use and control of all expirations and renewals of such business unless the Premiums Due have been paid in full to ASR within 30 days.
5. **Cancellations of Binders or Policies:** Agent shall promptly notify ASR if it receives notice of any kind that a policy is to be cancelled. No cancellation of a policy or binder will be backdated. Agent shall be responsible for any premium earned on a binder or policy even where the premium has not been collected from the insured. In the event a financed premium is cancelled and the premium has not been refunded to the premium finance company, the Agent shall promptly refund any premiums and unearned commission due to ASR.
6. **Claims:** Agent shall promptly report to ASR all claims and/or losses known to it, and such notices shall be provided as expeditiously as possible. Agent has no authority to assign losses to be adjusted nor may Agent negotiate settlement of any loss on behalf of ASR or ASR's insurers, without the prior express written consent of ASR. Agent agrees to cooperate fully at the request of ASR, its insurers, adjusting firms, attorneys, or other agents in the investigation, adjustment, settlement or payment of any loss or claim.
7. **Renewals:** ASR and Agent hereby acknowledge and agree that there shall be no automatic renewal by ASR of binders or policies. While ASR agrees to endeavor to give Agent reasonable advance notice of expiring binders and policies, it shall be under no legal or other obligation to do so and ASR's failure for any reason to provide notice of expiring binders and policies shall not relieve Agent of its obligations with regard to Premiums Due. Furthermore, it is expressly agreed that ASR is under no obligation to furnish renewal binders or policies.
8. **Unearned Commissions:** The Agent agrees to refund to ASR any unearned Premiums Due to ASR for cancelled binders or policies or reduced premiums, within thirty (30) day after Agent is advised of the cancellation or reduction in premium.
9. **Financed Policies:** If Agent extends credit to an insured it shall be at Agent's sole risk and all Premiums Due shall be paid to ASR when due, regardless of whether such Premiums Due have been collected by Agent. ASR shall not refund any premium to a premium finance company, unless such premium was received by ASR. In the event a financed premium is cancelled and the premium is refunded to a premium finance company, Agents shall promptly refund to ASR any unearned commissions and premiums. Agent will be responsible for notifying ASR of any Insured's policy financed by or through Agent.

ASR is not obligated to obtain financing for any Insured. If ASR obtains financing from a finance company for an Insured, the Agent shall be responsible for obtaining an original, signed finance agreement, in the form provided by the finance company and any other documents the finance company may require, and the down payment premium (paid by agent check) within five (5) days of the effective date of the policy. Such finance agreement and down payment premium shall be sent directly to ASR at its address provided in paragraph # 18 of this Agreement.

10. **Audited Premiums:** Whenever a premium for an issued policy cannot be fully determined in advance and where a subsequent adjustment is necessary by audit or otherwise, the amount of any additional

Premiums Due shall be paid to ASR within thirty (30) days after such additional amount is billed to Agent. If, within twenty (20) days after any additional Premiums Due are billed to Agent and Agent is unable to collect the additional Premiums Due from the insured, ASR will allow Agent to return uncollected audited Premiums Due under the same terms and conditions in ASR's agency agreements with its insurers.

11. **Agency:** In placing business under this Agreement, Agent acknowledges that Agent is a representative of the insured and not an agent or representative of ASR or ASR's insurers. Agent further acknowledges and agrees that all contact and/or communication with the carrier shall be through ASR.
12. **Agent Commission:** ASR shall pay Agent commissions as stated in each proposal issued by ASR to Agent. ASR reserves the right to withhold and/or deduct commissions due to Agent against any unpaid earned premium, return commissions or any other outstanding payments due from Agent on any and all policies placed through ASR.
13. **Licensing:** Agent warrants that it possesses and will maintain proper licensing in all jurisdictions for all classes of business that are submitted to ASR.
14. **Hold Harmless:** (a) Notwithstanding any other provision of this Agreement and as special consideration for the execution of this Agreement, Agent agrees that it shall save, defend, indemnify and hold harmless ASR from any and all proven, foreseeable and fully mitigated claims, demands, liabilities, actions, proceedings, judgments, fines or other expenses including without limitation, reasonable attorney's fees, incurred by ASR arising from or related to any claim of alleged errors and omissions caused by or related to acts of Agent, its agents, servants, principals and employees. (b) ASR agrees that it shall save, defend, indemnify and hold harmless Agent from any and all proven, foreseeable and fully mitigated claims, demands, liabilities, actions, proceedings, judgments, fines or other expenses including without limitation reasonable attorneys' fee, incurred by Agent arising from or related to any claims of alleged errors and omission caused by or related to the acts of ASR, its agents, servants, principal and employees.
15. **Insurance:** Agent and ASR warrants that they will maintain Errors and Omissions Insurance for the duration of this Agreement. The insurance policy must be issued by an insurer rated A VIII or better by A.M. Best and must have a limit of no less than \$1,000,000 per occurrence and in the aggregate. Both parties will promptly furnish evidence of such insurance to the other party upon request.
16. **Willful Violations:** In the event Agent willfully violates this Agreement, Agent shall be liable for all costs and damages incurred by ASR, including court costs and attorneys' fees.
17. **Cancellation of this Agreement:** This Agreement may be cancelled any time by either party giving thirty (30) days notice. In the event of cancellation, Agent will continue to be paid commissions on all binders and policies until they expire or are placed elsewhere.
18. **Notices:** Any notices which may be given under this Agreement shall be in writing, and shall be given: (a) by hand delivery; (b) by commercial overnight courier; or (c) registered or certified mail with return receipt requested. Such notices shall be addressed as follows:

If to ASR:

American Special Risk, LLC
212 South Tryon Street
Suite 1780
Charlotte, NC 28281

If to Agent (please print):

Agency Name: _____

Attention: _____

Street/Mailing Address: _____

City/State/ZIP: _____

19. Governing Law: The laws of the State of North Carolina shall govern the validity and construction of this Agreement.

American Special Risk, LLC

By: _____
Mark M. Coons, President & CEO

Agent Name: _____

By: _____

Name: _____

Title: _____

AGENT'S FEDERAL IDENTIFICATION # (FEIN): _____

AGENT'S P&C STATE LICENSE NO.: _____

Please include a copy of your current Errors and Omissions Insurance detailing limit, insurer and policy number. Attached: Yes / No If No, please provide reason below: _____

For internal purposes: Annual Review Date: _____