



BROKERAGE AGREEMENT

This Brokerage Agreement, made as of the _____ day of _____, 20 _____.
between Leo Risk Services, Inc, together with Its Affiliates as defined herein, which are licensed
Insurance agents ("LRS") and _____
(Producer)

WITNESSETH:

WHEREAS, LRS is a licensed Insurance agent and is in the business of placing
contracts of insurance with various insurers (hereinafter referred to as "Insurers"); and

WHEREAS, Producer is a licensed insurance agent and may from time to time request LRS
to obtain Insurance coverage for customers of Producer and to otherwise utilize LRS knowledge
and services;

NOW, THEREFORE, for good and valuable consideration, the receipt and
sufficiency of which are hereby acknowledged, the parties hereto, intending to be
legally bound, hereby agree as follows:

1. **Scope of Agreement.** This agreement shall govern the relationship between LRS
and Producer with respect to all policies of insurance insuring clients of Producer
heretofore or hereafter obtained by LRS at the request of Producer. Nothing
contained herein shall be construed to require Producer to obtain Insurance
through LRS nor, to require LRS to accept orders for insurance from Producer.
2. **Authority.** LRS shall; In its sole discretion, accept, reject, or submit to Insurers
for acceptance any applications of Insurance for risks submitted by Producer,
and LRS shall incur no liability for refusal or failure to place any such risk.
Producer shall have no authority to bind any Insurers for LRS, commit to or Issue
binders, policies, or other written evidence of Insurance on behalf of LRS or to
make representations not strictly in accordance with the provisions of the
policies and contracts placed under the terms of this Agreement. Producer shall
have no authority to, and shall not make, alter or vary any terms of coverage,



or modify terms of payment of may premium, fee or deposit, or Incur any liability for LRS.

3. **Qualification of Producer.** Producer represents and warrants that Producer Is properly licensed to transact business as an agent or broker in accordance with the insurance laws, rules and regulations of each state In which Producer transacts business. Producer will maintain such license or licenses In good standing for the duration of this agreement and will furnish proof of such licensing upon request by LRS. Producer will promptly notify LRS of any suspension, cancellation or disciplinary action In respect of its license(s).
4. **Ownership of Business and Expirations.** Producer shall have the ownership of all Insurance business subject to this Agreement, and the use and control of all expirations with respect to insurance obtained through LRS. Notwithstanding the foregoing, if Producer shall at any time be in default in any of Its obligations hereunder, then LRS shall have the right, so long as such default shall continue, to the exclusive use and control of any or all such expirations and to apply any proceeds thereof to the fulfillment of such obligations of Producer.
5. **Surplus Lines Insurance.** Producer shall not place an order with LRS for any excess or surplus lines Insurance unless Producer shall have first complied with any applicable state laws requiring the Producer to attempt to procure such insurance from Insurers authorized to do business in the state of residence of the proposed Insured. Then party responsible for the payment of surplus lines taxes shall also be responsible for full compliance with all relevant surplus lines laws of the relevant state, including but not limited to, the collection and payment or surplus lines taxes, filing of affidavits, and providing the appropriate statutory and/or regulatory disclosure legends on all documents.
6. **Premium and Accounts.** On every Insurance contract bound or written for Producer pursuant to this Agreement, Producer guarantees the full payment due LRS of (a) All premiums, including deposit, earned, extension and adjustable premiums, fees, plus (b) Any applicable state and local taxes, less commission. Producer shall be liable to LRS for the payment of all premiums, fees, and taxes, whether or not collected by the Producer. LRS's billings may take



the form of binders, invoices or statements. The net balance will be due and payable as indicated on such billings. The omission of any item (s) from a monthly statement or separate Invoice shall not: (A) Affect the Producer's responsibility to account for and pay all amounts due; (B) Prejudice the rights of LRS to collect all amounts due from Producer; or (C) Extend the time within which Producer must make payment. Producer's obligation to make payment to LRS is not contingent upon the issuance of a policy. Any credit extended to the Insured or others shall be at the sole risk and responsibility of the Producer unless agreed to in writing by LRS.

7. **Adjustable Premiums.** Notwithstanding anything to the contrary herein set forth, in the event that premiums for a policy or policies which have been Issued cannot be fully determined in advance, and where an adjustment or determination is made by an audit, retrospective rating or by interim reports, such premiums shall be fully earned and due at the invoice date as evidenced by a LRS or insurance company Invoice. Producer will make all reasonable efforts to collect amounts due. Producer will be relieved of responsibility for premium, so adjusted or determined, if Producer notifies LRS in writing within 20 days after said invoice date, stating that Producer has made diligent efforts and is unable to collect such premiums and, further provided the Insurer releases LRS of liability for such premium. A copy of the Producer's invoice to the insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure to give LRS timely notice shall constitute Producer's acceptance or responsibility to pay such premium. If commission applies to these adjustments, none will be allowed to Producer on premiums collected directly by LRS or an Insurer under this provision.
8. **Direct Collection.** If, after the expiration of sixty (60) days from the date liability was assumed by the Insurer, LRS has not received payment due for the applicable coverage, LRS may, at its option, directly seek to collect from the insured the premium due. In the event LRS collects the premium or any part thereof from the Insured, Producer shall not be entitled to any commission on the premium so collected. Attempts by LRS to collect from the Insured shall



- not relieve Producer of liability to LRS except to the extent of amounts actually collected by LRS from the insured, less the expense of such collection.
9. **Collection of Amounts.** In the event LR shall have to bring any action or proceeding to enforce collection of any amount due under the terms of this agreement, Producer agrees to pay all costs incident thereto, including reasonable attorney's fees and costs, incurred by reason of such action or proceeding.
 10. **Commissions.** LRS shall pay to Producer commissions upon premiums actually paid over to LRS with respect to policies of Insurance ordered through LRS by Producer, at rates agreed to between LRS and Producer in each individual case. LRS shall deduct from each return premium (including any return premium arising from a cancellation ordered by LRS) a return commission calculated at the same rate as Producer's original commission thereon.
 11. **Unearned Commissions.** Producer shall be liable to LRS and shall pay return commissions at the same rate as originally allowed to Producer for all return premium adjustments or cancellations, including return premium on cancellations ordered or made by the insurer or a finance company. Such return commission shall be paid to LRS by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and LRS has been issued a credit, or payment has been rendered, for such premium by LRS's Insurer; then LRS will pay to Producer such return premium less the unearned portion of any commission previously retained by the Producer.
 12. **Cancellation of Insurance.** LRS will not recognize flat cancellations unless: (a) written evidence of coverage prior to the inception date of the contract for Insurance is provided, and (b) such credit has been granted LRS by Its Insurer. Earned premium shall be computed and charged on every binder, policy or contract cancelled after the inception date in accordance with the cancellation provision of the applicable contract and/or rules of the Insurer. If Producer does not make timely payment of any sums due LRS, then LRS may, without limitation of other remedies, advise the Insurer to cancel the binder, policy or contract for non-payment. If coverage is bound by LRS, all additional fees charged by LRS for



the entire policy term shall be fully earned upon binding. Producer hereby acknowledges that LRS, or its Insurers, is under no duty to reinstate a policy if the policy is cancelled. Producer payments made directly to LRS for payment on a delinquent account will not constitute acceptance of these funds by LRS with regard to reinstating any policy being cancelled. Producer shall not accept from an insured the late payment of premiums with prior knowledge, whether actual or constructive, that the policy for which the late premiums have been collected has been cancelled.

13. **Financed Premiums.** On all premiums which have been financed, LRS will remit payment for any return premium, less unearned commission, directly to the party that made original payment of the premiums, unless otherwise agreed. The ultimate liability of LRS for payment to a finance company, Producer or insured shall never exceed the amount of return premium less unearned commission developed. Producer agrees to hold LRS harmless from any responsibility for payment to a finance company and further agrees that financing arrangements do not diminish the responsibility for the timely payment of premium by the Producer.
14. **Funds Held In Trust.** Producer shall hold funds in a fiduciary account for business generated under this Agreement to the extent required by the insurance laws of each state in which Producer conducts business. Producer shall be entitled to any interest earned on said funds while so held in trust by the Producer, provided, however, if Producer is in default under any monetary terms of this Agreement such interest shall be paid to LRS until Producer is no longer in default.
15. **Claims.** Producer shall notify LRS promptly of any claims, suits or notices of loss (or any circumstances which might, with the passage of time, reasonably be expected to result in a claim, suit or notice of loss), and shall cooperate fully with LRS to facilitate the investigation and adjustment of any claim when and as requested by LRS.
16. **Inspections and Adjustments.** LRS or its duly authorized representatives shall have the right at any time or times, during normal business hours, to audit any insurance hereunder and to inspect Producer's books and records in connection



therewith; to the extent such audit or Inspection is deemed necessary by LRS to verify Producer's compliance with its obligations under this Agreement. Producer shall promptly report and pay to LRS any additional or return premiums which may become due as a result of any adjustments.

17. **No responsibility or Guarantee.** Producer understands that LRS assumes no responsibility toward any policy with regard to the adequacy, amount or form of coverage and agrees to indemnify and hold LRS harmless from any claim asserted against LRS in following the Instruction of the Producer. LRS is not an insurer and does not guarantee the financial condition of the Insurers with whom it may place risks. LRS shall have no liability for non-payment of claims or for the return of premiums due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by LRS.
18. **Advertising.** Producer shall not cause any advertisement referring to or using the name of LRS or an Insurer, or issue or cause to have Issued any letter, circular, pamphlet, or other publication or statement so referring, without the express written consent of LRS. In the event LRS suffers a loss or expense arising out of any unauthorized advertisement, publication or statement of the Producer, the Producer shall be liable for and hereby agrees to indemnify LRS and hold LRS harmless from all resulting damages, fines, penalties and costs, including reasonable attorney's fees and costs.
19. **Termination of Agreement.** This Agreement may be terminated Immediately at any time by either party giving written notice to the other by certified mail, return receipt requested. This Agreement will also terminate:(a) automatically, if any public authority cancels or declines to renew the Producer's license or certificate of authority,(b) automatically, on the effective date of the sale, transfer, or merger of Producer's business, provided that LRS may, upon review, appoint the successor as a Producer, or (c) Immediately, upon either party giving written notice to the other, of termination because of fraud, insolvency, failure to pay balances, or willful or gross misconduct. All representations and obligations of the Producer herein shall survive the termination of this Agreement. After the date of termination of this Agreement, the Producer shall complete the collection and



accounting to LRS for all premiums, commissions and other transactions unaccounted for on the date of termination.

20. **Errors and Omissions Coverage.** Producer hereby represents and warrants that Producer now has and during the term of this Agreement shall maintain Insurance agent's Errors and Omission coverage with a minimum policy limit of one million dollars (\$1,000,000.). Producer shall furnish proof of such coverage upon request by LRS. Producer shall provide LRS with prompt written notice of any change, cancellation or other termination of such policy.
21. **No Rebrokering.** Producer shall not act as an underwriter or rebroker (double broker) for any application or policy underwritten pursuant to this Agreement without the express written consent of LRS.
22. **Indemnification.**
- (a) Producer shall Indemnify and hold harmless LRS and the Insurers harmless with respect to any and all claims, actions, liabilities, suits and expenses, including attorneys' fees and costs through all negotiations, trials and appeals, in any manner arising or resulting from any breach by Producer of any provision of this Agreement, resulting from any warranty or representation by Producer contained herein being false In any material respect, and/or resulting from negligent actions or errors or omissions by Producer.
- (b) LRS shall indemnify and hold harmless Producer with respect to any and all claims, actions liability suits and expenses, including attorney's fees and costs through all negotiations, trials and appeals, in any manner arising or resulting from any breach by LRS of any provision of this Agreement and/or resulting from negligent actions or errors or omissions by LRS.
23. **Execution and Acceptance of Agreement.** Producer acknowledges that a breach of any of the terms, conditions, or provisions of this Agreement by the Producer may give rise to a cause of action by LRS against the Producer and/or may result in disciplinary action by LRS, including but not limited to, the termination of this Agreement, all In the sole discretion of LRS. Each individual who executes this Agreement in a representative capacity represents and



- warrants that he or she has the full right and power to execute this Agreement and to bind the entity or Individuals on whose behalf he or she so signs. The parties hereto agree this Agreement shall not become effective until accepted by LRS.
24. **Notices.** Any notice required or permitted to be delivered to any party under the provisions of this Agreement shall be deemed to have been duly given (a) upon hand delivery thereof, (b) upon telefax and written confirmation of transmission, (c) upon receipt of any overnight deliveries, or (d) on the third (3rd) business day after mailing United States registered or certified mail, return receipt requested, postage prepaid, addressed to each party as set forth on the signature page hereto.
25. **Entire Agreement.** This Agreement sets forth all the promises, covenants, agreements, conditions and understandings between the parties hereto, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, expressed or implied, oral or written, except as herein contained.
26. **Binding Effect.** No Assignment. This Agreement shall be binding upon the parties hereto, their heirs, administrators, successors and assigns. Producer may not assign or transfer Its Interest herein, or delegate its duties hereunder, without the written consent of LRS, which consent may be withheld in its sole discretion. Any assignment or delegation of duties in violation of this provision shall be null and void.
27. **Amendment.** The parties hereby irrevocably agree that no attempted amendment, modification, termination, discharge or change (collectively, "Amendment") of this Agreement shall be valid and effective, unless the parties shall unanimously agree in writing to such Amendment.
28. **No Waiver.** No Waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against whom it is asserted, and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.
29. **Gender and Use of Singular and Plural.** All pronouns shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the party



- or parties, or their personal representatives, successors and assigns may require.
30. **Counterparts.** This Agreement and any amendments may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same Instrument.
 31. **Headings.** The article and section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of the Agreement.
 32. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Florida and any proceeding arising between the parties in any manner pertaining or to this Agreement shall, to the extent permitted by law, be held in Pinellas County, Florida. The parties acknowledge and agree that a substantial portion of the activities contemplated under the terms of this agreement shall be conducted out of the offices of LRS in Pinellas County, Florida and accordingly agree that Pinellas County, Florida is an appropriate venue for any proceedings among the parties.
 33. **Further Assurances.** The parties hereto will execute and deliver such further Instruments and do such further acts and things as may be reasonably required to carry out the intent and purposes of this Agreement.
 34. **Provisions Severable.** This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable Laws, ordinances, rules and regulations of the jurisdiction in which the parties do business. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason or to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.
 35. **No Third-Party Beneficiary.** This Agreement is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns subject to the express provisions hereof relating to successors and assigns, and no other person shall have any rights, interest or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third-



- party beneficiary or otherwise.
36. **Litigation.** If any party hereto is required to engage in litigation against any other party hereto, either as plaintiff or as defendant, in order to enforce or defend any of its or his rights under this Agreement, and such litigation results in a final judgment in favor of such party ("Prevailing Party"), then the party or parties against whom said final judgment is obtained shall reimburse the Prevailing Party for all direct, indirect or incidental expenses incurred by the Prevailing Party in so enforcing or defending its or his rights hereunder, including, but not limited to, all attorneys' fees and court costs and other expenses incurred throughout all negotiations, trials or appeals undertaken in order to enforce the Prevailing Party's rights hereunder.
37. **Remedies.** Each party hereto recognizes and agrees that the violation of any term, provision or condition of this Agreement may cause irreparable damage to the other parties which may be difficult to ascertain, and that the award of any sum of damages may not be adequate relief to such parties. Each party, therefore, agrees that, in addition to other remedies available in the event of a breach of this Agreement, any other party shall have a right to equitable relief, including, but not limited to, the remedy of specific performance.
38. **Affiliates.** For all purposes herein, the term LRS shall include Leo Risk Services, Inc., together with any of its affiliates ("Affiliates") that may be authorized insurance agents within the state in which the Producer is a licensed insurance agent. In any state in which Leo Risk Services, Inc. is not a licensed insurance broker or agent, Leo Risk Services, Inc. is executing this Agreement solely as agent for its affiliate that is a licensed insurance agent in such state.



Leo
Risk Services

2535 Landmark Drive, Suite 102
Clearwater, FL 33761
Phone: (727) 734-0040
Fax: (727) 734-0042

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PRODUCER:

(Print Name)

Agreement Accepted and
Effected by: Leo Risk Services, Inc.

Signed: _____

Signed: _____

Title: _____
(Must be the Owner, Partner or Authorized Officer)

Title: _____
(Must be the Owner, Partner or Authorized Officer)

Date: _____

Date: _____

Address:

Address:
Leo Risk Services, Inc.
2535 Landmark Drive
Suite 102
Clearwater, FL 33761

Please check one: Corporation () Partnership ()

Sole Proprietorship () Limited Liability Company ()

Federal Tax I.D. Number: _____

(Social Security Number if an Individual)

Property/Casualty License Number: _____

Surplus Lines License Number: _____

(If applicable)