

Agreement between Legacy Underwriters, Inc. and (Referred herein as Producer)

Whereas, Producer is desirous of placing contracts of insurance through companies represented by Legacy Underwriters Inc. (those companies referred to herein as "Insurer") and utilizing the underwriting facilities knowledge, and services of Legacy Underwriters, Inc., and

In consideration of Legacy Underwriters, Inc. placing risks of Producer's clients (referred to herein as Insured) from time to time with an Insurer or Insurers and for mutual promises and covenants set forth in this document it is agreed as follows:

Authority

Producer is an agent for the applicant, and acts on behalf of the applicant for insurance, and is not acting as an agent, subagent or broker for Legacy Underwriters, Inc. Neither this agreement nor the relationship between the parties and their officers and employees is intended, and shall not be construed, to create a partnership, joint venture or employment relationship between Legacy Underwriters, Inc. and Producer. Producer is for all purposes an independent contractor.

Legacy Underwriters, Inc. shall be the sole judge of whether to accept, reject, or submit to Insurer for acceptance any applications of insurance for risks submitted by Producer and shall incur no liability for failure to place any such risk. Producer shall have no authority to bind any Insurer for Legacy Underwriters, Inc., commit to or issue binders, policies, or other written evidence of insurance on behalf of Legacy Underwriters, Inc. 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 not make, alter or vary any terms of coverage, or modify terms of payment of any premium or deposit, or incur any liability for Legacy Underwriters, Inc.

Responsibility

Producer warrants and represents 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 Legacy Underwriters, Inc. Producer will promptly notify Legacy Underwriters, Inc. of any suspension, cancellation or disciplinary action with respect to its license(s).

Surplus Lines Insurance

Producer shall not place an order with Legacy Underwriters, Inc. 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. The party responsible for the payment of surplus lines taxes shall be responsible for full compliance with all relevant surplus lines laws of the pertinent State. Including, but not limited to, the collection and payment of surplus lines taxes, filing of affidavits, and providing the appropriate statutory and/or regulatory disclosure legends on all documents.

Premium and Accounts

Producer guarantees the full payment due Legacy Underwriters, Inc. of all premiums including deposit, earned, extension and adjustable premiums, fees, plus applicable state and local taxes, less commissions, on every insurance contract bound or written for Producer pursuant to this Agreement, *Producer shall be liable to Legacy Underwriters, Inc. for the payment of all premiums, fees and taxes whether or not collected by the Producer.* Legacy Underwriters, Inc. shall allow Producer; as commission a percentage of the premium written at the rate agreed upon by Legacy Underwriters, Inc. and Producer from time to time. Legacy Underwriters, Inc.'s billings may take the form of binders, invoices or statements. The net balance will be due and payable no later than 10 days from the last day of the month in which the policy was effective and may vary based upon the credit terms of the issuing company. The omission of any item(s) from a monthly statement or separate invoice shall not: (1) affect the Producers responsibility to account for and pay all amounts due; (2) prejudice the rights of Legacy Underwriters, Inc. to collect all amounts due from Producer; or (3) extend the time within which Producer must make payment. *Producer's obligation to make payment to Legacy Underwriters, Inc. is not contingent upon the issuance of the policy.* Any credit extended to the Insured or others shall be at the sole risk and responsibility of the Producer unless otherwise agreed in writing by Legacy Underwriters, Inc.

Commissions on Direct Bill Business

Commissions on direct bill business will be paid to the producer upon receipt of the commissions from the insurance carrier to Legacy Underwriters, Inc.

Ownership of Expirations

Producer shall own the rights to all insurance business produced by Producer under this Agreement and shall have the use and control of all expirations with respect to insurance obtained through Legacy Underwriters, Inc., except that if Producer shall at any time be in default in any of its obligations to Legacy Underwriters, Inc. or Insurers hereunder, Legacy Underwriters, Inc. shall have the right, so long as the default shall continue, to the use and control of any or all such expirations.

Adjustable Premiums

Notwithstanding anything to the contrary herein set forth in the situation where 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 amounts are fully earned and due at the invoice date as evidenced by a Legacy Underwriters, Inc. 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 Legacy Underwriters, Inc. in writing within 20 days after said invoice date, stating that Producer has made diligent efforts and is unable to collect such premiums and *provided the Insurer releases Legacy Underwriters, Inc. from liability for such premium*. A copy of the Producers invoice to the Insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure to give Legacy Underwriters, Inc. timely notice shall constitute Producers acceptance of responsibility for payment of such premiums. If commission applies to these adjustments, none will be allowed to Producer on premiums collected directly by Legacy Underwriters, Inc. or Insurer under this provision.

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, provided Producer is in compliance with all terms of this Agreement, Producer shall be entitled to any interest earned on said funds while so held by the Producer.

Claims

Producer shall notify Legacy Underwriters, Inc. promptly of any claims, suits or notices of loss (or circumstances which might reasonably be expected to result in a claim, suit or notice of loss) and shall cooperate fully with Legacy Underwriters, Inc. to facilitate the investigation and adjustment of any claim when and as requested by Legacy Underwriters, Inc.

Direct Collection

If, after the expiration of sixty (60) days from the date liability was assumed by the insurance carrier, Legacy Underwriters, Inc. has not received payment due for the applicable coverage, Legacy Underwriters, Inc. may at its option, collect from the Insured the premium due. In the event Legacy Underwriters, Inc. 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 Legacy Underwriters, Inc. to collect from the Insured shall not relieve Producer of liability to Legacy Underwriters, Inc. except to the extent of amounts actually collected by Legacy Underwriters, Inc. from the Insured, less the expense of such collection.

Collection of Amounts

In the event Legacy Underwriters, Inc. 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 any costs incident thereto, including reasonable attorney's fees incurred by reason of such action or proceeding.

Cancellation of Insurance

Legacy Underwriters, Inc. will not recognize flat cancellations unless (1) written evidence of coverage prior to the inception date of the contract for insurance is provided; and (2) *such credit has been granted Legacy Underwriters, Inc. 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 Legacy Underwriters, Inc. then Legacy Underwriters, Inc. may, without limitation of other remedies initiate with Insurer to cancel the binder, policy or contract for non-payment. If coverage is bound by Legacy Underwriters, Inc. all additional fees charged by Legacy Underwriters, Inc. for the entire policy term shall be fully earned upon binding. Producer hereby acknowledges that Legacy Underwriters, Inc., or its Insurers, is under no duty to reinstate a policy if the policy is cancelled. Producer shall not accept from Insured the late payment of premiums with prior knowledge, whether actual or constructive, that the policy for which the late premiums have been collected is cancelled.

Unearned Commissions

Producer shall be liable to Legacy Underwriters, Inc. and shall pay return commission at the same rate as originally allowed to Producer for all return premium adjustments or cancellations, including return premium adjustments or cancellations ordered or made by the Insurer or Finance Company. Such return commission shall be paid to Legacy Underwriters, Inc. by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and Legacy Underwriters, Inc. has been issued a credit, or payment has been rendered, for such premium by Legacy Underwriters, Inc.'s Insurer; Legacy Underwriters, Inc. will pay to Producer such return premium less the unearned portion of any commission previously retained by the Producer.

Financed Premiums

On all premiums which have been financed, Legacy Underwriters, Inc. will remit payment for any return premium, less unearned commission, directly to the Finance Company unless otherwise specified. The ultimate liability of Legacy Underwriters, Inc. 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 Legacy Underwriters, Inc. harmless from any responsibility for payment to Finance Company and further agrees that financing arrangements do not diminish the responsibility for timely payment of premium by the Producer.

Advertising

Producer shall not cause any advertisement referring to or using the name of Legacy Underwriters, Inc. or 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 Legacy Underwriters, Inc. In the event Legacy Underwriters, Inc. 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 Legacy Underwriters, Inc. and hold Legacy Underwriters, Inc. harmless from all resulting damages, fines, penalties and costs.

Waiver of Default

Failure of Legacy Underwriters, Inc. to enforce any provision of this Agreement or to terminate it because of a breach hereof shall not be deemed to be a waiver of such provisions or of any breach committed by the Producer.

Severability

If any clause or provision of this Agreement shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity or any other clause or provision, which shall remain in full force and effect. Each of the provisions of the Agreement shall be enforceable independently of any other provision, unless expressed otherwise herein.

No Responsibility or Guarantee

Producer understands that Legacy Underwriters, Inc. assumes no responsibility for any policy with regard to the adequacy, amount or form of coverage and agrees to indemnify and hold Legacy Underwriters, Inc. harmless from any claim asserted against in following the instructions of the Producer. Legacy Underwriters, Inc. is not an insurer and does not guarantee the financial condition of the Insurer with whom it may place risks. Legacy Underwriters, Inc. shall have no liability for non-payment of claims due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by Legacy Underwriters, Inc.

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: (1) automatically, if any public authority cancels or declines to renew the Producers license or certificate of authority, (2) automatically, on the effective date of the sale, transfer, or merger of Producers business with the provision Legacy Underwriters, Inc. may, upon review, appoint the successors as a Producer, or (3) 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 Legacy Underwriters, Inc. for all premiums, commissions and other transactions unaccounted for on the date of termination or arising thereafter in respect of outstanding policies of insurance, including, but not limited to return premium and return commissions. Outstanding policies will be permitted to run to expiration.

Errors and Omissions Coverage

Producer now has and shall maintain insurance agent's Errors and Omission coverage with a minimum policy limit of one million dollars (\$1,000,000) while this Agreement is in force and will furnish proof of such coverage upon request by Legacy Underwriters, Inc. Producer will provide Legacy Underwriters, Inc. with prompt written notice of any change, cancellation or other termination of this coverage.

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 Legacy Underwriters, Inc.

Hold Harmless

Producer shall indemnify, defend and save harmless Legacy Underwriters, Inc. from any loss, claim, liability, damage and expense (including attorney's fees and expenses of litigation) which Legacy Underwriters, Inc. may incur or suffer by reason of material inaccuracy of any representation or breach by Producer of any term, condition, or warrant contained in this agreement.

Alternative Dispute Resolution

The parties to this Agreement hereby agree that all disputes, controversies or claims of any kind and nature between the parties hereto, arising out of or in any way related to this agreement, its interpretation, performance or breach, shall be resolved exclusively by the following alternative dispute resolution mechanisms:

1. Negotiation-The parties hereto shall first engage in a good faith effort to negotiate any such controversy or claim by communications between them, Said negotiations may be oral or written. To the extent they are oral; they must be confirmed in writing.
2. Should the above-stated negotiations be unsuccessful, the parties shall engage in mediation pursuant to the American Arbitration Association Commercial Mediation Rules, or such other mediation rules as the parties may otherwise agree to choose.
3. Should the above-stated be unsuccessful, the parties shall arbitrate any such controversy or claim with the express understanding that this Agreement is affected by interstate commerce in that the goods and services which are the subject matter of this Agreement, pass through interstate commerce. Said arbitration shall be conducted pursuant to the American Arbitration Association. Commercial Arbitration Rules (the "Arbitration Rules") or such other arbitration rules as the parties may otherwise agree to choose.
4. The cost of the above-stated mediation shall be borne equally between the parties. The cost of the above-stated arbitration shall be borne by the party against whom an award is issued. In either event, each party shall bear the cost of their own attorney's fees and costs.

The parties understand and agree: (i) that each of them is waiving rights to seek remedies in court, including the right to a jury trial; (ii) that pre-arbitration discovery in arbitration proceedings is generally more limited than and different from court proceedings (iii) that the arbitrators' award is not required to include factual findings or legal reasoning, and (iv) either party's right of appeal to seek modification of rulings by the arbitrator is strictly limited.

The venue for mediation and/or arbitration under this paragraph shall be in the city of St. Petersburg, state of Florida.

Governing Laws

This Agreement shall be deemed to have been made and performed on Pinellas County, Florida and shall be governed by, and construed and enforced on accordance with the laws of the state of Florida. The rights duties and obligations of the parties to this agreement to such extent they are not dealt with specifically or by necessary implication in this instrument shall be in accordance with the customs prevailing in the surplus lines and special risks insurance business I the state in which the Producer is domiciled.

Entire Agreement

This Agreement constitutes the entire agreement between Legacy Underwriters, Inc.and Producer and supersedes and replaces any previous agreements between Legacy Underwriters, Inc. and Producer. No oral promises or representations shall be binding, nor shall this Agreement be modified, except by agreement in writing and executed by Legacy Underwriters, Inc. This Agreement shall apply to current policies already placed through Legacy Underwriters, Inc. and in force at the date hereof and all future policies which may be placed by Legacy Underwriters, Inc. for Producer.

Execution and Acceptance of Agreement

Producer acknowledges that a breach of any of the terms, conditions, or provisions of the Agreement by the Producer may give rise to a cause of action by Legacy Underwriters, Inc. against the Producer and/or may result in disciplinary action by Legacy Underwriters, Inc, including but not limited to, the termination of this Agreement, all in the sole discretion of Legacy Underwriters, Inc. 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. If this Producer is an individual, the individual must sign; if the Producer is a partnership, on of the partners must sign; if the Producer is a corporation, an authorized office must sign and indicate the title of such authorized officer. The hereto agree this Agreement shall not become effective until accepted by Legacy Underwriters, Inc.

Producer _____

By _____

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

Witness _____

Date _____

Agreement Accepted and Effected by Legacy Underwriters, Inc.

By _____

Title _____

Date _____

Please complete, sign and return *Original Agreement* along with the following:

- 1. Copy of your Insurance license issued by your state of residence.
- 2. Copy of your E & O Policy Dec Page

Please check one: () Corporation () Partnership () Sole Proprietorship

Federal Tax I.D. Number (SS Number if Individual) _____

Surplus Lines License Number (If applicable)