SURYA
INSURANCE COMPANY

PRODUCER BROKERAGE AGREEMENT

This Producer Brokerage Agreement **("Agreement")** is effective as of the date of the signature page (the "Effective Date") and is by and between Surya Insurance Company Inc., a Risk Retention Group, (hereafter "**Company**"), **_____,** (hereafter "**Produce**r").

PREAMBLE

The **Company** provides marketing, administration, and compliance support services related to livery insurance products and other commercial insurance products.

The **Producer** wants to conduct business with the **Company** and the **Company** wants to conduct business with the Producer.

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, The **Company** and the **Producer** agree as follows:

Purpose:

1) Under this **Agreement**, the **Producer** contracts with the **Company** to provide various specialty products to the **producer** to market to existing and prospective customers. The **Producer** will market and solicit insurance risks on behalf of the company and provide quotes for coverage after such risks have been approved by the **Company**. The **Producer** understands and agrees it is not an agent of the **Company** and it has no authority under this Agreement to bind coverage unless otherwise expressly agreed to in writing between the **Company** and **Producer**. **Producer** is an independent contractor and is responsible for payment of all income taxes.

2) The **Company** binds all business under this **Agreement** when the **Producer** places and order to bind with the **Company**. All underwriting, rating, and binding authority rests with **Company**.

The Producer further agrees to the following:

1) **Producer** is duly licensed as an agent/broker in the state where **Producer** resides (**"Domicile State"**) and **Producer** holds a non-resident license in any state where business under this Agreement is being produced outside the Domicile State. The **Producer** represents and warrants it shall not solicit or sell any product of the **Company** unless it is licensed and maintains all individual, corporate or agency licenses or permits required to conduct insurance business in the state where the business is being solicited and /or sold.

2) No later than the Effective Date, the **Producer** will provide the **Company** with copies of all individual, corporate or agency insurance agent, broker, producer, surplus lines, or other similar licenses maintained by the Producer in the Domicile State and all such licenses required by any state other than the **Domicile State** where **Producer** transacts business pursuant to this agreement, and shall thereafter warrant that said licenses are renewed as required by applicable law, provided, however, that the **Producer** will not have to provide copies of any such licenses which the **Producer** has provided to the **Company** as prior to the Effective Date and which are on file with the **Company** as of the Effective Date.

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3) The **Producer** will notify and **Company** as soon as possible of (i) any change or prospective change in name of **Producer**, (ii) a change in control or ownership of the **Producer**, or (iii) any change that may affect **Producer's** ability to produce business under this **Agreement.**

4) **Producer** represents and warrants it has and agrees to keep in force a valid and binding contract for Agent Errors and Omissions Liability coverage with minimum limits of $ 1,000,000 per occurrence and in the aggregate and will maintain that coverage in force for the duration of this Agreement and upon request will provide the **Company** the Declaration Page validating the coverage. The **Producer** shall maintain all their all expense all required licenses and/or certificates of authority and meet any other requirements to transact business in such state. The **Producer** agrees to update the **Company** each year upon renewal that the coverage is in force and effect.

5) **Producer** is responsible for the collection and payment of all premiums, taxes, and fees due on account to the **Company**, With the exception of business placed on a direct bill basis where the **Producer** collects no premium whatsoever, the **Producer** is liable to the **Company** for any uncollected amount due once business is bound at the request of the **Producer** to the **Company**. The obligation set forth in this paragraph 5 shall survive termination of this **Agreement**. Such amounts would include but not limited to Agency Bill accounts and all return commissions. The **Producer** will assist in collecting any amounts due under Direct Bill account, but not be obligated for such funds.

6) It is further understood that is the **Producer** is a corporation or partnership, the undersigned officer(s) by signing this **Agreement**, is not personally guaranteeing such liability for any and all obligations owed to the **company** arising out of actions by the **producer**. **Producer** shall render to the **Company** or its Designee within seven (7) days after the close of each month, a monthly report which shall be in such form and shall contain all the information which the **company** or its Designee shall reasonably require (Addendum B). All premiums received by **Producer** on behalf of the **Company** shall be deposited by the **producer** set forth on page 7 in a premium trust account in a bank which the member of the Federal Reserve system for the benefit of the **Company**. **Producer** shall remit the balance in the account to the **Company** or its Designee within ten (10) days after the close of each calendar month. The **Company** shall be entitled to any interest accruing on funds in the premium trust account. **Producer** shall be responsible for any losses of funds in the premium trust account.

7) **Producer** agrees that once coverage is bound by the **Company** at the request of the **Producer**, all premiums, fees and taxes due for the policy term or short rate period or pro rata period, as may be applicable, are due and payable, and such premiums are fully earned by the carrier. **Producer** agrees to pay all invoices timely as set forth in the invoice instructions when premium is due.

8) With respect to return premiums, **Producer** will return commission at the same rate and on the same basis upon which the business was placed with the **Company**, including but not limited to, return premiums on cancellation or reductions ordered and return premiums payable as a result of amended policy terms.

9) The **Company** shall be relieved of any responsibility to pay any and all commissions to **Producer** if, based on facts and circumstances, the **Company** has a reasonable and good faith basis to believe that a public authority has cancelled, suspended, revoked or declined to renew any license or authority issued to **Producer.**

10) The **Producer** shall cause the collection of all premiums on insurance written and the required minimum premium payment, payable in full minus commissions, to the **Company**, or the **Company's**

designee upon binding of coverage. The **Producer** has the authority to elect an installment plan with such a down payment of at least 25% and/or 10 equal payments as agreed with the **Company**. Such amount with the prior approval of the **company** can be adjusted downward on a case by case basis. In the event **Producer** is in default in remitting premiums or other balances equal to at least two months amount due to the **company**, the records and use and control of expirations pertaining to policies shall be turned over to and vested in the **company.**

11) No insurance contract shall be returned to the **company** for flat cancellation unless it is returned prior to the inception or effective date of the contract, unless the contract is replaced with an AM Best "A" rated contract at the inception date. Earned premiums shall be computed and charged on every insurance policy and cancelled after inception in accordance with the cancellation provisions of such contract.

12) The **Producer** shall notify company as soon as possible of any suit or notices of loss (or circumstances reasonably expected to result in a suit or notice of loss) agrees to cooperate fully with **Company**.

13) The **Company** shall have the rights to audit books and records, upon reasonable advanced notice relating to insurance contracts written pursuant to this Agreement. Such books and records shall be made available by the **Producer** at his primary place of business during normal business hours.

14) All questions pertaining to this document and its validity, construction and administration shall be determined in accordance with the laws of the state of Alabama (but not including the choices of law rules thereof).

15) This **Agreement**, which supersedes any prior agreement shall be effective on date signed by **Company** on page 6 and will remain in effect for one year and renewed upon **Company's** approval.

The Company agrees to the following:

1) The **Company** agrees that **Producer** retains full rights of ownership and control of all expirations on business produced under this **Agreement** unless otherwise expressed in writing under special circumstances such as a joint-venture, partnership, sponsorship, or association arrangements with the **Company**.

2) All compensation, whether commission, fee or otherwise payable by the **Company** to the **Producer** for business placed by the **Producer** with the **Company** will be in such amount as the **Producer** and the **Company** mutually agree in writing, or as indicated on any invoice or statement issued by the **Company**, With respect to return premium the **Producer** will pay return commission at the same rate or on the same basis upon which the business was placed or arranged.

Representations and Warranties as respects the Foreign Corrupt Practices Act

1) **Producer** and the **Company** each represent and warrant, on behalf of itself and its respective employees, directors, and officers, that no portion of its fees or compensation, or any other thing of

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value, under this Agreement has been or will be offered, promised, paid or given, directly or indirectly, to any government official (as defined in the U.S. Foreign Corrupt Practices Act and below) as an inducement or reward for any of the prohibited purposes set forth therein, specifically corruptly: (i) influencing any act or decision of such government official; (ii) inducing such government official to do or omit to do any act in violation of his lawful duty; (iii) securing any improper advantage; or (iv) inducing such government official to use his influence to effect any act or decision of such government official, in order to assist the **Company** in obtaining or retaining business. These obligations will survive termination of this Agreement.

2) Government officials, as used herein, include: (i) an employee of the state-owned or controlled commercial entity; (ii) an officer or employee of a public international organization; (iii) any person acting in an official capacity for or on behalf of any government or department, agency or instrumentality or public international organization; (iv) any candidate for political office; any political party or official of same; any candidate for political office thereof; or (v) any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities.

3) **Producer**, and the **Company** each agree to indemnify the other, and the other's affiliates, subsidiaries, directors, officers, and employees ("Related Persons"), for any damages, claims, judgments, and costs, including reasonable attorneys' fees ("Losses"), **Producer** and its Related Persons, or the **Company** and its Related Persons may incur to the extent such Losses are the result of the other party's breach of the aforementioned representations and warranties. These indemnity provisions are subject to the Limitation of Liability set forth herein.

Limitation of Liability:

The **Company's** liability to you, in total, for the duration of our business relationship for any and all damages, costs, and expenses (including but not limited to attorneys' fees), whether based on contract, tort (including negligence), or otherwise, in connection with or related to our services (including a failure to provide a service) or any other service that we provide shall be limited to a total aggregate amount of $ 1 million, ("Liability Limitation").

This Liability Limitation shall apply to you and extend to your parent(s), affiliates, subsidiaries, and their respective directors, officers, employees and agents (hereinafter, each a "**Producer Group Member**" and together, "**Producer Group**") wherever located that seek to assert claims against the **Company**, and its parent(s), affiliates subsidiaries and their respective directors, officers, employees and agents (each on "**Surya Member**" and together, "**Surya Group**"). Nothing in this Liability Limitation section implies that any **Surya Member** owes or accepts any duty or responsibility to any **Producer Group Member**.

If the **Producer** or any **Producer Group Member** asserts any claims or makes any demands against the **Company or any Surya Member** for a total amount in excess of this Liability Limitation, then the **Producer** agrees to indemnify the **Company** for any and all liabilities, costs, damages and expenses, including attorneys' fees, incurred by the **Company or any Surya Member** that exceeds this Liability Limitation.

The **Company** shall indemnify and hold the **Producer**, harmless against any and all losses, including any and all defense of any claim, suit or proceeding (including, but not limited to, reasonable fees and

disbursements of counsel), if such loss results from or arises out of gross negligence or the acts or omissions of the **Company**, except to the extent that the **producer** has caused such errors.

Additional Terms and Undertakings:

1) **Producer** warrants that it will abide by all federal, state and local laws and regulations applicable to the transaction of business under this Agreement.

Termination

1) This **Agreement** may be terminated by either party, without cause, by providing the other party a thirty (30) day advance written notice of such termination.

2) This **Agreement** may also be terminated with cause immediately by either party providing written notice to the other party. The term "cause" as used herein shall include failure of performance of any covenant or provision of this Agreement, and in addition, any of the following:

   a) Non-Payment of commissions due Producer or return commissions due to the **Company** or the failure of either party to pay any other sums due hereunder in timely manner beyond a 30 day cure period allowing the offending party to remedy the breach (during which period this Agreement is subject to suspension).

   b) The perpetration of any misconduct, but not limited to, fraud, theft, dishonesty, harassment, unethical conduct or misrepresentation by any party to this Agreement.

   c) The termination or expiration of the Producer's errors and omissions insurance policy.

   d) Insolvency, the filing of a voluntary petition in bankruptcy, or reorganization under bankruptcy laws, the assignment of property for the benefit of its creditors, or consent to the appointment of any receiver or trustee.

   e) The entry of any order pursuant to the bankruptcy laws approving any involuntary petition in bankruptcy against any party to this Agreement

   f) The expiration, suspension or revocation of the license of any party to transact business hereunder.

   g) The failure of **Producer** to pay the **Company**, and properly account for, all premium and other sums due hereunder.

3) In the event this **Agreement** is terminated, the **Producer** shall immediately cease to exercise such power or powers in accordance with such notice. Should the **Producer** fail to comply with any such suspension or termination notice, the **Producer** agrees to indemnify, defend, and hold harmless the **Company** for any claims, liability, losses or expenses incurred or for any damages related to such failure to comply.

4) At the time of the termination and thereafter, any indebtedness owed by **Producer** to the **Company** shall be deducted by the **Company** from any future monies owed to the **Producer**.

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5) The **Producer** agrees that in the event of the termination of this Agreement, the **Producer** shall continue to perform all customary and necessary services regarding all policies or certificates issued by the **Producer** on behalf of the **Company** until all such policies or certificates have been cancelled, non-renewed, or otherwise terminated.

6) If the **Producer** fails in any respect to fulfill this continuing service obligation, then any expense incurred by the **Company** as a result thereof shall be fully reimbursed to the **Company** by the **Producer**, either directly or as an offset against future monies owed to the **Producer** under this Agreement.

Notice

Any notice required by this **Agreement** shall be sent to **"Surya Insurance 608 Fifth Avenue Suite 901, New York, NY 10020**", and to the **Producer** at the Mailing Address set forth on page 7 to the Attention of the Primary Contact.

It is further agreed that the **Company** shall be responsible for providing to its insureds a privacy notice if required by law and will notify the **Producer** in writing if the **Produce**r is required to provide a privacy notice to applicants on behalf of the **company**.

Entire Agreement and Governing Law:

This **Agreement** shall be governed by the laws of the State of Alabama. This **Agreement** constitutes the entire agreement between **Producer** and the **Company** with respect to the subject matter of this Agreement and supersedes all prior agreements or understandings, whether written or oral, about such subject matter.

IN WITNESS HEREOF: the parties hereto have caused the **Agreement** to be executed in duplicate by their duly authorized representatives effective on the dated herein above first written.

Surya Insurance Company, Inc RRG

_____

(Producer)

_____ _____

(Signature) (Date) (Signature) (Date)

_____ _____

(Print Name) Print Name)

_____ _____

(Title) (Title)

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☐ **I confirm that I am an officer, owner or managing member of the Agency and an authorized to sign this agreement.**

INCLUDE: Copy of License, Form W-9, Verification of E&O Coverage and a List of Office Addresses this agreement would be applicable for.

IMPORTANT NOTE: If the Producer is doing business as an individual, he or she must personally sign this Agreement in his or her own name and not in his or her name or capacity as an Agent. If the Producer is a partnership, this Agreement must be executed by the firm and by each member thereof in his or her individual capacity. If the Producer is a corporation, an authorized corporate officer must execute this Agreement.

PRODUCER PROFILE & BOOK OF BUSINESS

Please provide a list of agency's current corporate officers and include the following information for each person listed.

1) Full Name:

2) Title:

3) Email Address:

4) Phone Number:

5) Office Address:

6) State of Resident License:

7) Resident License Number:

8) Line of Authority:

9) Effective Date:

10) Expiration Date:

Has agency, or any officer, partner or associate of the agency, ever been fined, suspended, placed on probation, reprimanded, entered a consent order, or is currently under investigation by any insurance department or any other regulatory authority?

☐ Yes ☐ No

If Yes, please provide a detailed explanation

The following information is needed for administrative and regulatory purposes.

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PRODUCER CONTACT INFORMATION

Legal Time _____

DBA or Assumed Name (If Any) _____

Mailing Address _____

City, State & Zip Code _____

Primary Contact & Title _____

E-mail Address _____

Compliance Contact & Title

_____

E-mail Address _____

Phone Number & Ext _____

Fax Number _____

Web Site _____

General E-mail Address _____

PRODUCER COMPLIANCE INFORMATION

Federal Tax ID Number _____

Ownership: ☐ Individual/Sole Proprietor or Single Member LLC ☐ C Corporation ☐ S Corporation

☐ LLC – C-Corp ☐ LLC-S-Corp ☐ LLC-Partnership ☐ Partnership ☐ Trust/Estate

E & O Carrier _____

Other Carrier _____

Per Claim Limit _____

Expiration Date _____

Agency Resident State License # _____

Lines of Authority _____

Expiration Date _____

Perpetual _____

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PRODUCER PROFILE & BOOK OF BUSINESS

Total Employees at this Location (please attach a list if available) _____

Number of Office Location (Please attach a list of office address) _____

Year Agency Established _____

Agency Management System _____

Annual P & C Premium Volume _____

Percent Commercial Lines _____ % Percent Personal Lines _____ % Percent Life & Health _____ %

ADDENDUM: A

PRODUCT/PROGRAM	STATES	COMMISSION
COMMERCIAL AUTO	**ALL STATES WERE LICENSED**	**10%**

ADDENDUM: B

Monthly Premium Reports:

1. **Policy Number**
2. **Insured Name**
3. **Effective Date / Expiration Date**
4. **Transaction type (new, renewal, cancellation, endorsement, reinstatement)**
5. **Gross Premium**
6. **Premium Payment: Installment; Paid in full.**
7. **Subscription Fee**
8. **Commission to Producer**
9. **Net due to Company**