

INSURANCE AGENCY AGREEMENT

BritAmerica Management Group, Inc., hereinafter referred to as the
“**Company**”, hereby appoints:

Agent

Agency

Address

City State Zip

Tax ID

hereinafter referred to as the **Agent**.

AGENCY APPOINTMENT

The Company appoints the Agent for the purpose of selling and servicing of **Insurance** policies on behalf of the Company in those states in which the Company and the Agent are properly licensed and authorized to transact such business. The Agent shall comply with all applicable rules, standards and regulations of the Company, State and Federal laws. This agreement is not exclusive and the Agent is not granted any exclusive right to any territory or product offered by the Company.

The Agent may contract with subagents to conduct business under this agreement, provided that (1) the Agent notifies the Company in writing of any such contract at least ten (10) days prior to the effective date of such appointment, and (2) such contract and arrangement to conduct business is in full compliance with all applicable laws and regulations. The Company reserves the right to approve or disapprove the contracting of any such subagent or solicitor. The Agent shall hold the Company harmless for acts of any employee or subagent or solicitor.

The Company and the Agent expressly agree that the Agent is not an employee of the Company and shall be considered an independent contractor for the purposes of this agreement. The Agent shall not be reimbursed of any expenses incurred under this agreement and shall supply his or her own work place, use his or her own supplies and employees and set his or her own work hours, all at no cost to the Company.

The Company shall provide printed materials to the Agent, such as approved applications, forms and policies which shall be used by the Agent in the transactions of business on behalf of the Company. The Agent agrees that all printed materials provided by the Company for use under this agreement shall not be altered or substituted without the consent of the Company nor shall the Company accept printed material from the Agent in which the form has been altered or substituted.

PREMIUM

1. The Agent shall, on behalf of the Company, collect premiums, except for premiums with respect to direct billed policies. All premiums collected on business produced by the Agent hereunder shall be submitted to the Company within five days of receipt by agent.
2. The Agent has no interest in the premiums collected and except for the payment of commission from premiums collected as expressly provided for, the Agent may make no deductions from or personal use of such funds. The Agent may not retain the premiums as an offset against any disputed claim the Agent may have against the Company. Payment of commission to the Agent under this Agreement is contingent upon payment of premiums to the Company. All premiums received by the Agent on behalf of the Company shall be held by the Agent in trust in a fiduciary capacity in a bank which is insured by the Federal Deposit Insurance Corporation (hereinafter referred to as the "Premium Trust Account").
3. The characterization of an account with the Agent on the Company's books in the form of a debtor-creditor account shall be deemed merely a record of business transacted. Neither the keeping of an account in such form, nor the rendering of same, nor failure to enforce prompt remittance, nor alteration in compensation rate, nor compromise of settlement, shall be held to waive assertion of the fiduciary relationship as to premiums collected by the Agent.
4. The Agent must establish and maintain internal controls and record keeping mechanisms for the safekeeping and full accounting of all cash receipts, cash disbursements, premium billings, collections and policyholder records relating to policies or evidences of insurance issued by the Company or reasonably required for the fulfillment of the Agent's duties.
5. If Agency Bill is elected the Agent assumes full responsibility for and agrees to pay to the Company all premiums, whether or not collected by the Agent, and whether such premiums are obtained from business produced by the Agent or through the Agent from a subagent, broker or other producers.

LATE PAYMENTS

Beginning 30 days after the billing date, under both the Agency Bill and Company Bill options, a monthly interest charge will be assessed on all unpaid premiums. The Company will deduct unpaid premiums and interest due from any loss payments made to a policyholder.

COMMISSIONS

The Company shall compensate the Agent as specified in the Agent Commission Addendum for all policies which result in a fully collected premium. This compensation shall be payment in full for all services rendered by the Agent on behalf of the Company and shall be determined solely as a percentage of premium paid on insurance written by the Agent and collected by the Company for the coverage period. No commissions shall be paid on policies which do not result in a fully collected premium.

Premium collection shall first be credited to interest, if applicable, then to premium for the purpose of commission. No commission shall be accrued nor paid to the Agent for any premium which remains unpaid. The Company has the right to change the agreed upon Commission Agreement from year to year. The Company shall have the authority to deduct, setoff or recoup from any amounts owed by the Company to the Agent any amounts owed by the Agent to the Company.

AGENT RESPONSIBILITIES

The Agent shall have the following duties and obligations under this Agreement:

- 1) To faithfully perform all duties required hereunder, to cooperate with the Company in all matters pertaining to the issuance of policies, cancellations, and adjustments of losses, and to promote the best interest of the Company. Agent is responsible for presenting Agent's insureds with proper forms required by the Company and shall promptly forward to Agent's insureds all mandatory paperwork and policy provisions.
- 2) To execute and issue the kinds of insurance contracts to which this agreement applies, but only as specifically authorized from time to time by the Company.
- 3) All Agents selling or servicing Insurance must attend CE classes for at least the minimum hours required by their State Department of Insurance and provide proof of such training to the Company. Agent shall cooperate in providing to the Company documentation of the Agent's license in those states in which the Agent markets or sells Insurance. Failure to respond to a request by the Company for license documentation within 15 days of such request may result in withholding of any commissions owed to the Agent until satisfactory evidence of such license is received, or as may be required by State law.
- 4) To maintain, at the Agent's expense, all appropriate licenses to authorize the Agent to sell insurance offered under the agreement. The Agent shall provide documentation of said licenses to the Company upon request. Failure to respond to such a request will result in withheld commission payments as no commission can be paid to any unauthorized party.
- 5) To follow all procedures, rules, manuals, and underwriting guidelines of the Company, whether issued by means of directives, letters, procedural or underwriting manuals or otherwise.
- 6) To submit to the Company signed, original policy applications and all other documentation necessary to process the application.
- 7) The Agent shall maintain accurate records of business conducted under this agreement. The Company or its representatives shall have the right, at a reasonable time, to examine and audit any documents or files in the possession of the Agent referring to business under this agreement. Agent shall be responsible for any penalties, interest, cost or other losses incurred by the Company arising from or related to the Agent's failure to timely, accurately and completely provide information, reports and data in accordance with the Company guidelines.
- 8) The Agent shall only offer policies at rates and forms as prescribed by the Company and to not make or offer any rebates of any kind. The Agent shall not alter, modify, waive or change any of the provisions or conditions of the insurance contracts or rates.
- 9) The Agent shall not broadcast, publish or distribute any advertisement or other material referring to the Company or the Company contracts of insurance not originated by the Company without first securing written approval of the Company.

ERRORS AND OMISSIONS

The Agent is responsible for the acts, omission, commissions and return commission and those of the Agent's employees, in addition to those of the Agent's subagents and their agents and employees, as fully as though said acts were performed by the Agent. The Agent agrees to carry errors and omissions insurance covering business written under this agreement. The Agent shall provide proof of such coverage to the Company each year. If the Agent fails to provide such proof, the Company, at its' option, may terminate this agreement.

TERM AND TERMINATION

- A. This Agreement shall remain in force until terminated. Either party may terminate this Agreement upon thirty (30) days prior written notice.
- B. In the event of fraud or material breach of any of the conditions or provisions of this Agreement on the part of either party, the other party may terminate the Agreement immediately upon written notice.
- C. This Agreement shall terminate immediately without notice in the event that any public authority cancels or declines to renew the Agent's license or if the Agent becomes insolvent, becomes financially unable to perform its obligations hereunder (as determined by the Company in its good faith discretion), files for bankruptcy protection, has a receiver appointed over any of its assets, or makes any assignment for the benefit of creditors.
- D. Upon termination, all business produced by the Agent shall remain in full force and effect until the natural expiration or prior cancellation of such business, and shall be subject to all terms and conditions of this Agreement. Upon termination, the names and addresses of holders of policies written by the agent hereunder shall belong to the Agent if the Agent is not delinquent in any amounts due to the Company or if the Agent has not violated any conditions of this Agreement.
- E. This agreement shall not extend to the benefit of any successor in interest of the Agent, nor may any interest under this agreement be assigned by the Agent without the prior written consent of the Company, but such consent shall not be unreasonably withheld.

INDEMNITY

Each party indemnifies and holds the other party harmless against any costs (including reasonable attorneys' fees), losses, damages, penalties or other liabilities incurred as a result of the negligence, errors or omissions of the indemnifying party or its officers, directors, agents, representatives, contractors or employees. Without limiting the foregoing, Agent specifically agrees to indemnify the Company and hold the Company harmless against costs (including reasonable attorneys' fees), losses, damages, penalties or other liabilities incurred or arising out Agent's (or its officers, directors, agents, representatives, contractors or employees) negligence or errors or omissions regarding Agent's countersignature activities, or failure to maintain proper insurance agent license(s), insurance agent appointment(s), or adherence to proper countersigning requirements as required by any state insurance department.

GENERAL PROVISIONS

- A. This Agreement and the obligations contained herein shall be interpreted in accordance with the laws of the State of Texas without regard to its rules of conflict of laws.
- B. In the event of a dispute hereunder, the prevailing party shall be entitled to recover from the other party its costs and reasonable attorneys' fees.
- C. This Agreement may be amended only by an instrument in writing signed by the party against whom enforcement of any such amendment is sought.
- D. This Agreement supersedes all previous agreements concerning the business of Insurance between the Company and the Agent.
- E. If any provision of the Agreement shall be invalid or unenforceable to any extent, the remainder of such provisions and of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

BILLING PROCEDURE

The Agent has elected: _____ Agency Bill (Agent bills insured)
_____ Company Bill (Company bills insured)

If neither option is selected, Company Bill shall apply. The Agent will not be responsible for the payment of any premium not collected from any insured, unless otherwise agreed.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives.

Company Representative Signature

Date

Agency Name

Date

Company Representative Name (Print)

Agent Name (signature)

Company Representative Title