

LIMITED PRODUCER AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2015 by and between _____ an authorized and duly Florida licensed insurance agent located at _____, _____ County, Florida, hereinafter referred to as "Producer", and ANCHOR INSURANCE MANAGERS, INC., a Florida corporation, having its principal offices at 6151 Lake Osprey Lake Blvd. Suite 300, Sarasota, Florida 34240, hereinafter referred to as "MGA."

WITNESSETH THAT:

Anchor Property and Casualty Insurance Company, hereinafter referred to as "Company," through MGA grants authority to the Producer to represent the Company only with regards to those policies that Anchor Property and Casualty Insurance Company assumed from Citizens Property Insurance Corporation (hereinafter referred to as "Citizens") subject, however, to duties, obligations and restrictions placed upon such Producer by the laws and the Insurance Code of the State of Florida in which such Producer is authorized to effect contracts of insurance and to the terms and conditions hereafter set forth:

(1) The Producer has no authority to bind the Company on any new applications. The Producer does have limited authority to:

- a. Bind the Company for endorsements or changes to existing policies. The Producer agrees to forward such changes or endorsement requests to MGA, on behalf of Company, in writing, together with any premium collected for such change or endorsement, no later than the fifth (5th) calendar day following the effective date of such change or endorsement. Company and/or MGA, however, reserve the right to approve or decline the requested changes subject to Company's written underwriting guidelines as provided by MGA to Producer (the "Underwriting Guidelines").
- b. Accept policyholder's requests to cancel their policies and forward such request to MGA on behalf of Company. **Producer has no authority to initiate policy cancellations.**

(2) Upon compliance by Producer with all of the terms and conditions of this Agreement, Producer will be entitled to receive, as the sole and exclusive compensation for all services rendered to Company and MGA pursuant to this Agreement, a commission as set forth on the Commission Schedule attached hereto. This commission shall be calculated based on gross premiums collected less any fees &/or assessments and less unearned commissions on return premiums whether because of endorsements, cancellations or otherwise.

(2a) MGA, in its sole discretion, may amend the Commission Schedule from time to time upon written notice to the Producer, which amended Commission Schedule shall govern as to all policies or endorsements written or renewed after the date of such notice.

(2c) It is a condition of this Agreement that the Producer shall refund ratably to MGA, on business heretofore or hereafter written, commissions on canceled insurance policies and/or reductions in premiums at the same rate at which such commissions were originally paid Producer.

(3) The Producer agrees to remit promptly, as required in the Underwriting Guidelines, to MGA all premiums collected by Producer on insurance policies written under this Agreement. The Producer agrees that all premiums received by the Producer shall be held by Producer in a fiduciary capacity as trustee for MGA until delivered to MGA.

(4) It is expressly understood and agreed by and between the parties to this contract that Producer is an independent contractor, and not an employee of Company and/or MGA, and that neither Company nor MGA shall be responsible for agency expenses including but not limited to maps, personnel hired, solicitors fees, postage, advertising, exchange, personal and/or local licenses, or any other agency expenses whatsoever.

(5) As an independent producer, eligible to represent other, competing insurers, without violation of this agreement, Producer agrees that it will not represent, or hold itself out to, customers, clients, patrons, and/or members of the general public, as an employee of either Company or MGA, and in all business dealings, place Producer's customers, clients, and/or insureds, on notice of the limitations of this contractual relationship with Company and/or MGA and the Underwriting Guidelines Producer is likewise bound by. Producer shall be free to exercise its own judgment as to the persons from whom Producer will solicit insurance and the time and place of solicitation. Producer has the right to select, at Producer's own cost and expense, all facilities, employees, and office locations employed by Producer in its own independent business venture. Nothing contained herein shall be construed to create the relationship of employer and employee between MGA and/or Company and the Producer.

(6) Any policy forms, brochures, application forms, Underwriting Guidelines and/or Commission Schedules, and other like Company supplies, furnished to the Producer by the Company and/or MGA, at any time before or after the execution of this agreement, are, and shall always remain, the property of the Company and shall be returned to them or their representatives immediately upon written demand. In the event Producer shall fail to return to the Company such supplies, including but not limited to numbered policy forms, upon demand, by reason of the loss, destruction, and/or mysterious disappearance of any such supplies, Producer agrees that Producer shall furnish Company and/or MGA a notarized certificate

which (1) accurately identifies each such item, (2) contains the reason why each has not been surrendered, and (3) which certificate provides that Producer be deemed accountable to Company and/or MGA, in damages, to hold them harmless of and from any and all liability, damages, and/or costs and attorney fees incurred should the loss, destruction, or mysterious disappearance of any policy forms and/or supplies result in claims and/or damages assessed, directly or indirectly against Company and/or MGA.

(7) Nothing in this Agreement shall be construed as limiting or restricting the right of MGA and/or the Company to cancel any policies or contracts of insurance issued under this Agreement, and MGA reserves the right to withdraw authority from the Producer and to decline to accept any particular risk or class of risk, at its sole discretion.

(8) The Producer shall not insert any advertisements regarding the Company and/or MGA in any publication or issue of any circular or paper, or otherwise refer to the Company and/or MGA, or use or refer to the name of the Company and/or MGA in any radio, television or other message, without the consent of the Company and/or MGA first obtained in writing. In the event the Company and/or MGA shall be subjected to loss or expense as a result of such unauthorized action or statement or use by the Producer, Producer shall be liable to the Company and/or MGA for all ensuing damages, costs and attorneys' fees.

(9) In the event of termination of this Agreement, the Producer not being in default of accounts payable to the company, and having surrendered all Company supplies in accordance with paragraph (7), supra, and the Producer thereafter promptly accounting for and paying over balances not in default for which he may be liable, the Producer's records, use and control of expirations shall be deemed the property of the Producer and left in his undisputed possession; otherwise, the records, use and control of expirations shall be deemed the property of MGA, as Trustee of Producer, and MGA may, at its sole and exclusive discretion, arrange for the placement of such records and control of such expirations, and rightfully transfer same to any other local, licensed insurance agent or agency, of its selection, without liability to Producer, on the part of Company, MGA, or subsequent local agent and/or agency placed in such possession, to account to Producer for any potential, "good will", intrinsic, sale, transfer, or other monetary value thereof.

(10) In the event of the sale of an agency, by Producer, when not in default of this Agreement, both the seller and the purchaser and the agency itself shall be liable to MGA to pay return commissions on all business written by the agency prior to the sale unless the parties shall specifically otherwise agree and the written consent of MGA to such an agreement be endorsed thereupon. Producer shall not sell, or negotiate the sale of, its records and expirations, and/or any other thing of value in the Producer's

agency, if in default under this agreement, without written consent of MGA. No act or action on the part of MGA, whether in dealings with Producer or any potential purchaser from Producer, shall be construed as a waiver of the terms and conditions of this paragraph and/or any other provision of this agreement.

(11) The failure of the Company and/or MGA to insist, in any one or more instances, upon the performance of any one or more of the covenants or conditions of this agreement, or to exercise any right or privilege herein conferred upon either, shall not be construed as thereafter waiving any such covenants, conditions, rights or privileges but the same shall continue and remain in full force and effect.

(12) In the event of notice of suspension, revocation or termination of the authority given to the Producer or of cancellation or termination of this Agreement, all accounts owing to MGA by the Producer and/or parties to this Agreement, shall become due and payable immediately upon demand to MGA.

(13) The parties agree that MGA maintains its office in Sarasota County, Florida, that all notice and/or payments due hereunder are to be made to MGA at such office, and that in the event of a dispute arising under this contract that venue for the determination thereof shall lie, exclusively, in a court of competent jurisdiction situated on Sarasota County, Florida. It is further understood and agreed by and between the parties hereto that if any clause, paragraph, or part of this Agreement be deemed or declared unenforceable, as illegal or unconstitutional, such declaration shall not affect, nullify, or vitiate any of the remaining portions of this Agreement not otherwise illegal and/or unconstitutional. Further, the parties hereto agree that if MGA is required to take any legal action whatsoever against the Producer under this Agreement, the Producer agrees to pay reasonable attorneys' fees and costs incurred in such action brought by the MGA.

(14) Producer shall, at all times that this Agreement remains in full force and effect, maintain, at Producer's own cost and expense, Errors and Omissions Insurance Coverage with an A.M. Best rated B or better insurer, with coverage limits no less than \$1,000,000 per occurrence and \$1,000,000 aggregate.

- (15) Except if required to be extended by law, this Agreement shall terminate:
- A) Automatically, if any public authority cancels, declines to renew, revokes, suspends or places on probation the license or certificate of authority of the Producer.
 - B) Automatically upon the effective date of the sale or transfer of the Producer's Business, however, the Company or MGA may offer a limited Producer Agreement to any successor producer which meets the requirement of the Company and MGA.
 - C) Immediately upon any party giving written notice to the others, in the event of abandonment, fraud, material breach of contract, gross or willful misconduct or bad

faith on the part of one or both of such other parties. Gross or willful misconduct shall include, but not be limited to:

- 1) the failure of the Producer to pay any funds owing to the Company for any reason within seven (7) days, plus three (3) days for mailing, after a request has been made by the Company and/or MGA;
 - 2) The misdirection or misappropriation of the funds or property of the Company and/or MGA by the Producer;
 - 3) The delegation or attempted delegation of any of the Producer's obligations and/or assignment or attempted assignment of any of the Producer's rights under this Agreement without the prior written consent of the Company or MGA;
 - 4) Pleading guilty or no contest by the Producer or any of its employees to, a felony or a crime involving moral turpitude. If the conviction involves an employee of the Producer, then the Producer shall have the right to appeal the termination.
 - 5) The presentation by Producer of a "Non-sufficient Funds" check, two or more times.
- D) Immediately, should any party at any time:
- 1) becomes subject to any insolvency proceeding;
 - 2) go into liquidation, whether voluntary or compulsory, or suffer the appointment of a receiver;
 - 3) become involved in serious financial difficulties evidenced by, but not limited to, any petition for reorganization, bankruptcy or receivership, or any attachment of a major portion of assets, or any judgment rendered remaining unsatisfied for thirty (30) days or more without having been bonded by an authorized surety company admitted in the jurisdiction where the judgment is entered; or
 - 4) become involved in fraudulent acts or illegal conduct
- E) Upon 15 days prior written notice, for any reason, delivered (i) by the Company or the MGA, to the Producer or (ii) by the Producer to the Company or to the MGA

(16) Producer shall indemnify and hold MGA, Company and their respective officers, directors, employees, parents, subsidiaries, affiliates, agents, representatives, successors and assigns, harmless for all fines, penalties and related expenses which MGA or Company may incur as a result of any action of Producer which is in violation of any law or regulation, including any and all liability and cost of defense resulting from any suit being brought against MGA or Company for any error or omission of Producer, its principals, or its employees.

MGA shall indemnify and hold Producer harmless for all fines, penalties and related expenses which Producer may incur as a result of any action of MGA which is in violation of any law or regulation or contract or other duty, including any and all liability and cost of defense resulting from any suit or other action being brought against Producer for any error or omission of MGA, its principals, or its employees.

(17) The Parties agree to keep strictly confidential all information which relates to any business hereunder, including information relating to any insureds or customers of either party which is provided (by "Providing Party") to the other (or "Receiving Party"). Such information shall be herein identified as "Confidential Information." Confidential Information shall not include (i) information previously known by the Receiving party, (ii) information available from public sources, or (iii) information available from third parties on a non-confidential basis. Unless otherwise agreed in writing, the Confidential Information shall be used solely for the purposes for which provided, and may be disclosed only to employees of the Receiving Party and others with a need to know ("Representatives"). Representatives shall be required by the Receiving Party to comply with this paragraph, and the Receiving Party shall be liable for any breach of this paragraph by its Representatives. The Receiving Party shall immediately notify the Providing Party if it is requested or compelled by legal process to disclose any Confidential Information, and shall assist and cooperate with all efforts of the Providing Party to obtain a protective order, negotiate the terms of disclosure, or otherwise respond to the legal process.

The Receiving Party agrees that Confidential Information shall remain confidential and shall not be disclosed to any third party other than to perform the business of insurance as permitted by law and contemplated by this Agreement. In the event the Receiving Party intends to disclose Confidential Information, the Receiving Party agrees to provide affected policyholders, customers and/or consumers with the required legal notice and to otherwise comply with applicable law with regard to such disclosure.

Each Party understands and agrees that the terms of this Section 17 of this Agreement are reasonable and necessary to protect each other's respective business interests. Each Party further agrees that the other would suffer irreparable loss and damage if the Receiving Party violates the provisions of this Section 17. Thus, in addition to any other rights or remedies, all of which shall be deemed cumulative, the Providing Party shall be entitled to obtain injunctive relief to prevent any breach

by the Receiving Party and sue for damages. Nothing herein shall be construed to restrict, alter or limit any legal or equitable rights and remedies which may be available to the Providing Party under the law.

(18) This Agreement constitutes the entire agreement between the MGA and Producer and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may only be modified in writing signed by both the MGA and Producer.

IN WITNESS WHEREOF, the parties have caused their names to be subscribed hereto and have has set their hand and seal on the day and year first above written.

ATTEST:

ANCHOR INSURANCE MANAGERS, INC.

By _____

ATTEST:

PRODUCER

By _____

This Agreement consists of Pages 1, 2, 3, 4, 5, 6, 7 the LOCATION RIDER, and COMMISSION SCHEDULE.

Location Rider

This Rider is to that certain Limited Producer Agreement (the "Agreement") entered into by and between ANCHOR INSURANCE MANAGERS, INC. ("MGA"), and the Producer below named ("Producer"), which Agreement is hereby amended and modified by the addition of the following language and Provisions:

It is expressly understood and agreed the limited authority granted under the Agreement shall apply only to the solicitation of insurance, as authorized by Anchor Property and Casualty Insurance Company ("Company") and MGA as conducted by the Producer at the following location/s utilized by Producer as place/s for business for the purpose of solicitation and management of the Producer's insurance activities:

Location 1: _____

City: _____

County: _____, Florida.

Location 2: _____

City: _____

County: _____, Florida.

Location 3: _____

City: _____

County: _____, Florida.

Unless otherwise agreed in writing by Company or MGA, neither the Producer, nor any of the Producer's personnel, shall have any right or authority to solicit insurance, or carry on any other insurance related activity, on behalf of the Company except at the above designated locations.

Except as specifically amended or modified by this Rider, the Agreement shall be and remain in full force and effect.

Location Rider (continued)

IN WITNESS WHEREOF the parties have hereunder set their hands and seals this _____ day of _____, 20__

Witness:

Producer

By: _____

Title: _____

Witness:

ANCHOR INSURANCE MANAGERS, INC.

By: _____

Title: _____

Commission Schedule

	New	Renewal
All Counties	10%	10%

Witness:

Producer

By: _____

Title: _____

Witness:

ANCHOR INSURANCE MANAGERS, INC.

By: _____

Title: _____