

AGENCY AGREEMENT

This agreement is entered into between **Florida Home Builders Insurance Inc., d/b/a FHB Insurance**, hereinafter referred to as **FHB Insurance**, located at **2600 Centennial Place, Tallahassee, FL 32308**, and **Independent Market Solutions, Inc.** hereinafter referred to as **Agent**, located at **3159 Shamrock St South, Tallahassee, FL 32309**.

The terms of this agreement shall be as follows and the parties mutually agree as follows:

1) TERM

- a) The term of this agreement is one (1) year from the date of execution. This agreement shall automatically renew at the end of each year unless terminated in accordance with paragraph 8.

2) AGENT AUTHORITY

- a) Agent is an independent contractor and is not an employee of FHB INSURANCE. Agent is responsible for all its own taxes imposed by any taxing authority, and has exclusive control over the conduct of Agent's business and the selection of companies Agent shall represent, subject to requirements imposed by law.
- b) Agent is solely responsible for all expenses incurred by Agent in the performance of this Agreement. FHB INSURANCE does not direct how, where or with whom the Agent conducts their business.
- c) Agent has the authority to operate as an Agent for FHB INSURANCE in the jurisdictions where Agent is properly licensed with respect to the lines of business offered by FHB INSURANCE at that time and in that jurisdiction.
- d) Agent shall have the right to solicit and receive applications for insurance coverages specified in paragraph 3) c) and forward such applications to FHB INSURANCE for acceptance or rejection of said proposals.
- e) Agent shall provide all usual and customary services of an insurance agent with respect to all insurance policies and proposals in conjunction with this agreement.
- f) Agent shall have the authority to collect and receive premiums for insurance policies issued in conjunction with this agreement.
- g) Agent may advance premiums on behalf of policyholder(s), in which case the Agent accepts full responsibility for collection from the policyholder(s).
- h) Agent is responsible for collecting and remitting to FHB INSURANCE, all applicable taxes and fees for all business placed through FHB INSURANCE.
- i) Agent is responsible for submitting a fully executed Affidavit of Diligent Effort, and/or other evidence of eligibility for placement with a Non-Admitted carrier, as defined and required by any appropriate regulatory authority with jurisdiction, to FHB INSURANCE for all Non-Admitted Business.

3) NO BINDING AUTHORITY

- a) Agent acknowledges that they have no authority to bind any coverage or coverages for any line of insurance subject to, or contemplated by, this agreement.

4) PREMIUM PAYMENT & ACCOUNTING

- a) FHB INSURANCE will provide premium invoices to Agent for policies, endorsements and other premium related transactions. Invoices will include information such as the name of the insured, policy number, description of transaction, gross invoice amount, commission percentage and net amount due.
- b) Agent agrees to remit entire payment for net amount due to FHB INSURANCE within twenty (20) days of invoice date or effective date of transaction, whichever is later or as otherwise indicated on the premium invoice. Payments made by Agent will include a copy of the invoice provided.
- c) If Agent disputes the entire invoice amount, Agent agrees to provide written notification to FHB INSURANCE within twenty (20) days of invoice date or effective date of transaction, whichever is later. Notification will include sufficient information to identify and review the disputed amount.
- d) If Agent disputes a portion of the invoice amount:
 - i) Agent agrees to provide written notification to FHB INSURANCE within twenty (20) days of invoice date or effective date of transaction, whichever is later. Notification will include sufficient information to identify and review the disputed amount.
 - ii) Agent agrees to remit payment for the undisputed net amount due to FHB INSURANCE within twenty (20) days of invoice date or effective date of transaction, whichever is later. Payments made by Agent will include a copy of the invoice provided and sufficient information to identify and review the disputed amount.
- e) FHB INSURANCE reserves the right to withhold any commission, profit sharing or incentive payments or similar items to Agent, if Agent has an outstanding balance with FHB INSURANCE. FHB INSURANCE reserves the right to offset any amounts owed to FHB INSURANCE by Agent.
- f) Agent agrees to promptly refund to FHB INSURANCE commission on all return premiums at the same rate as originally paid to the Agent. If the Agent fails to refund such commission to FHB INSURANCE, FHB INSURANCE may, in addition to any other remedies, offset the return commission against any commission or credit then, or later, due the Agent.
- g) Agent is responsible for collecting all premiums, taxes and fees (including additional premiums, taxes and fees dues as a result of endorsements, retrospective or other premium adjustments) on insurance produced by the Agent and accepted by FHB INSURANCE. The Agent is obligated to pay such premiums, taxes and fees to FHB INSURANCE regardless of whether the Agent has collected the premiums, taxes and fees on such insurance. However, to the extent that FHB INSURANCE may be permitted to assign uncollected premium back to an insurance company for collection, the Agent may be permitted to assign such premiums back to FHB INSURANCE. It

is the sole responsibility of the Agent to inquire with FHB INSURANCE of any such options in a timely enough manner so as to take advantage of any such options.

- h) Agent is responsible for the collection and remittance to FHB INSURANCE for all additional premium due to audit. Audit premium is due immediately upon receipt. If however, the Agent returns the audit to FHB INSURANCE as uncollectible within 30 days of receipt, and FHB INSURANCE is permitted to return such to the company as uncollectible, the Agent has no more responsibility to collect the premium in question. If the premium is subsequently collected by FHB INSURANCE or the company, the Agent is not due the commission on the premium in question.
- i) Agent will forfeit the right to commissions on accounts that are uncollectible or that are referred to an attorney or agency for collection.
- j) Agent understands that, in accordance with Florida Statute 626.561, all monies due FHB INSURANCE or the insured must be paid to FHB INSURANCE or the insured within the appropriate time frame. If money is withheld, the agent is guilty of a crime based on the amount of money set forth in Statute ranging from a misdemeanor to a first degree felony.

5) INDEMNIFICATION

- a) FHB INSURANCE shall indemnify and hold Agent harmless from any and all liability for damage arising out of FHB INSURANCE's error or omission or regulatory action in the performance of this Agreement. The Agent shall indemnify and hold FHB INSURANCE harmless from any and all liability for damage arising out of the Agent's error or omission or regulatory action in the performance of this Agreement.
- b) Agent shall notify FHB INSURANCE immediately of any claim or suit that names or refers to FHB INSURANCE as a party to said claim or suit.
- c) Agent shall not, except at Agent's own cost, expense and risk, make any payment or assume any liability in conjunction with any claim or action in which FHB INSURANCE is party without FHB INSURANCE's express written authority.
- d) Agent shall at all times fully cooperate with FHB INSURANCE in the defense of any claim and shall assist as requested by FHB INSURANCE.

6) AMENDMENTS

- a) This agreement may be amended at any time upon the mutual written agreement of FHB INSURANCE and Agent.
- b) This agreement may be changed and/or amended by FHB INSURANCE upon 90 days written notice to Agent from FHB INSURANCE.

7) TERMINATION

- a) This agreement shall be terminated:
 - i) By FHB INSURANCE, immediately and without notice, in any of the following situations:

- (1) If any public authority cancels, revokes, suspends or declines to renew Agent's license or licenses or certificate of authority.
 - (2) In the event of Agent's fraud, insolvency, gross and willful misconduct, abandonment, or failure to pay to FHB INSURANCE any and all monies due after written demand for such.
 - (3) Upon the sale, transfer, merger, consolidation or reformation of Agent's business unless FHB INSURANCE shall have agreed to such in writing prior to the effective date of such coverage.
 - (4) Upon the abandonment or insolvency of the Agent's business.
 - (5) Upon the conviction or guilty plea of Agent to a crime related to the business of insurance or the handling of trust funds.
 - (6) Upon the filing of bankruptcy by or against the Agent or if Agent is adjudicated as a bankrupt or if a receiver, trustee and/or liquidator is appointed for all or substantially all of the Agent's business or if the Agent makes an assignment for the benefit of creditors.
- ii) By written mutual agreement of both parties.
 - iii) By either party for any reason upon 30 days written notice to the other party.
- b) Upon termination, Agent shall return to FHB INSURANCE any and all property of FHB INSURANCE including, but not limited to, applications, policies, forms, supplies, manuals, and all other property of FHB INSURANCE.
 - c) If this agreement is terminated under any reason listed in Paragraph 8 (a) above, the Agent's authority to represent FHB INSURANCE in any form shall immediately cease.
 - d) FHB INSURANCE shall make a good faith effort to avoid termination of this agreement by working with Agent to identify problem areas, establishing mutually acceptable performance objectives, and assisting in other mutually agreed upon methods and ways.
 - e) Upon termination, unless the termination was for one of the reasons described in Paragraph 7 (a) (i) (1) through (6), FHB INSURANCE (when within its control) agrees to allow the Agent to renew policies which are in force on the effective date of termination for a period not to exceed one (1) year as long as the policy meets current underwriting guidelines.

8) OWNERSHIP OF BUSINESS

- a) While this agreement is in effect, FHB INSURANCE shall not directly contact policyholder(s) for the purposes of selling other insurance products unless FHB INSURANCE is required to do so under provisions of law or when FHB INSURANCE is acting on the Agent's behalf.
- b) While this agreement is in effect, both parties agree and acknowledge that the ownership of the business covered by this agreement is the property of the Agent.
- c) In the event of termination, the use and ownership of all expirations of policies covered by this agreement shall remain the property of the Agent so long as the Agent has properly and promptly

accounted for any and all premiums to FHB INSURANCE; otherwise the ownership shall vest with FHB INSURANCE.

9) HEADINGS

- a) The section headings in this agreement are for reference only and shall not affect any interpretation.

10) CLAIMS

- a) The Agent shall immediately report, as instructed, to FHB INSURANCE any and all claims, regardless of size or frequency, for appropriate processing by FHB INSURANCE.

11) COMMISSIONS

- a) FHB INSURANCE will pay and the Agent will accept as full compensation for all services the commission percentages as stated in, or agreed for, a given proposal. Agent understands and accepts that commission percentages vary by product, may change over time, and information about such commissions is available upon request. Commissions are due only when and to the extent premiums are received by FHB INSURANCE.

12) GENERAL PROVISIONS

- a) FHB INSURANCE requires and Agent acknowledges that it has and will maintain during the term of this agreement an Errors and Omissions Insurance Policy in an amount of not less than one million dollars (\$1,000,000.00). FHB INSURANCE retains the right to request and receive evidence of such policy.
- b) All notices required by or permitted under this agreement must be in writing and shall be delivered to the receiving party at the address stated above.
- c) The failure of either party to insist upon strict compliance with any part of this agreement does not constitute a waiver of any rights under this agreement, nor does it prevent either party from insisting upon strict compliance of any part of this agreement in the future.
- d) If any provision of this agreement is invalid under or in conflict with any applicable law, all remaining provisions of this agreement shall remain in full force and effect.
- e) FHB INSURANCE shall have the right to change the established commission rates, underwriting limits and underwriting eligibility and guidelines from time to time during the term of this agreement.
- f) Both parties to this agreement certify that they have the full right and authority to enter into this agreement.
- g) This agreement is effective on the date last signed by the parties.

13) AGENT OF RECORD (AOR) LETTER

FHB INSURANCE shall retain the right to honor an Agent of Record letter in accordance with its Agent of Record procedures.

14) VENUE/ATTORNEY'S FEES

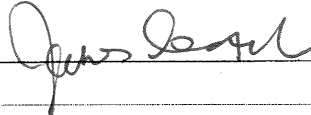
- a) This agreement shall be constructed in accordance with and governed by the local laws of the State of Florida, and venue for any proceeding brought to enforce the terms of this Agreement shall be in Leon County, Florida.
- b) If any claim or legal action or other proceeding is brought for the interpretation or enforcement of this agreement, or because of the alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this agreement, the successful or prevailing party shall be entitled to recover actual attorney fees, expert witness fees and other costs and expenses incurred in the enforcement of this agreement whether by filing suite or not, in addition to any other relief to which that party may be entitled.

15) ENTIRETY OF AGREEMENT

- a) This agreement constitutes the entire agreement between the parties pertaining to the subject matter contained herein and supersedes any prior agreements. No supplement, modification or amendment of this agreement shall be binding unless executed in writing by the parties. No waiver of the provisions of this agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing a continuing waiver. No waiver shall be binding unless executed in writing by the party granting the waiver.

16) SIGNATURES

For the Florida Home Builders Insurance, Inc., d/b/a FHB Insurance:

Signature: 

Printed Name: James Leach

Title: Chief Executive Officer

Date: 7-11-17

For the Agent: Independent Market Solutions, Inc.

Signature: 

Printed Name: David D. Burt

Title: Agent in Charge

Date: 7/11/17

**ADDENDUM TO FLORIDA HOME BUILDERS INSURANCE, INC
AGENCY AGREEMENT**

This Addendum dated July 11, 2017 shall serve to provide additional terms, and to amend or modify conflicting terms of the Agency Agreement ("Agreement") dated July 7, 2017, by and between Florida Home Builders Insurance, Inc. ("FHB Insurance") and Independent Market Solutions, LLC (the "Agent").

WHEREAS, FHB Insurance acknowledges that the Agent is jointly owned by state insurance agent associations affiliated with the Independent Insurance Agents & Brokers of America, Inc. ("IIABA"), and that the Agent's sole purpose is to provide insurance market access to members of these state insurance agent associations who serve as Sub-Producers to the Agent.

WHEREAS, given the nature of the Agent's business, FHB Insurance and the Agent acknowledge the need for this Addendum to address issues that are not addressed in a standard Agency Agreement.

NOW, THEREFORE, FHB Insurance and the Agent agree as follows:

1. Reference in the Agreement to "Agent" shall also include Sub-Producers under contract with the Agent.
2. The relationship of the Agent and its Sub-Producers shall be in writing and at a minimum must:
 - a. Require Sub-Producer to adhere to provisions of the Agreement, and
 - b. Provide FHB Insurance with Third-Party Beneficiary rights to enforce the terms of the Sub-Producer agreement as if it were a Party to the agreement.
3. State insurance agent associations affiliated with the Agent will promote the Agent's markets, including the markets offered by FHB Insurance, and encourage the submission of high quality, profitable business. Marketing responsibilities for each party is outlined per the attached Marketing Addendum.
4. FHB Insurance will pay the Agent override commissions as outlined in paragraph 9. below and will pay the Sub-Producers commissions as outlined in the FHB Insurance Commission Schedule attached to and incorporated in the Agreement, less the override commissions paid to the Agent.

5. Reference to any state law, rule, regulation or insurance code in the Agreement shall be the state in which the Sub-Producers are located.
6. FHB Insurance agrees that it will not enter into an agency agreement or any other contract that would create substantially similar terms to this Agreement with any state insurance agent association that is not affiliated with IIABA. In no way shall this provision restrict FHB Insurance's right to directly appoint agents, brokers, aggregators or other types of associations.
7. FHB Insurance has the right to deactivate any Sub-Producer's ability to produce business upon prior notification to the Agent. In addition, FHB Insurance shall deactivate a Sub-Producer's ability to produce business upon request of the Agent when the Agent determines that the Sub-Producer has failed to maintain membership in good standing in its IIABA affiliated state association.
8. FHB Insurance agrees that during the term of this Agreement, FHB Insurance shall not provide to any Sub-Producer or former Sub-Producer of the Agent direct access to any FHB Insurance lines of business that are the subject of this Agreement. Notwithstanding the foregoing, in the event a Sub-Producer writes a level of business generating at least \$100,000 net written premium per year, FHB Insurance, in its sole discretion, may offer a direct Agency Agreement to such Sub-Producer. In the event FHB Insurance elects to offer a direct Agency Agreement to a Sub-Producer, FHB Insurance shall provide notice to the Agent, and FHB Insurance shall have no further obligation to pay Agent override commissions on business produced by such Sub-Producer.
9. FHB Insurance acknowledges that the Agent and its affiliated state insurance agent associations or their subsidiaries receive override commissions on all policies written by the Agent's Sub-Producers. Therefore, FHB Insurance agrees that for a period of two years following the termination of the Agreement by FHB Insurance for any reason other than for breach by the Agent, or by the Agent for good cause, FHB Insurance shall pay the following override commissions to the Agent upon renewal of any policy that is in force at the time of termination and that was written by a Sub-Producer during the term of the Agreement, unless the policy is canceled, non-renewed or otherwise terminated by FHB Insurance.

2% of net premiums written on any policy sold under the terms of the Agreement.
10. Notwithstanding paragraph 16. of the Agreement, to the extent any of the provisions of the Agreement conflict with the terms and provisions of this Addendum, the Addendum shall control.

11. This Addendum may be amended by the parties from time to time or replaced by a new Addendum, as long the amendments are in writing and are signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Addendum on the date indicated above.

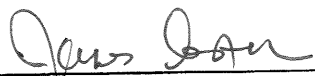
FLORIDA HOME BUILDERS
INSURANCE, INC.

INDEPENDENT MARKET SOLUTIONS, LLC

By: _____

Printed Name: _____

Title: _____



CEO

By: _____

Printed Name: David D. Burt

Title: Agent In Charge

