

AGENCY AGREEMENT

This Agreement is made between Southern Fidelity Managing Agency, LLC. (hereinafter referred to as "Company"), located at 2255 Killlearn Center Blvd, Tallahassee, Florida 32309; and ~~Independent Market Solutions, LLC~~ (hereinafter referred to as "Agent"), located at ~~3150 S. MEMPHIS ST. S. TALLAHASSEE FL 32309~~. Southern Fidelity Managing Agency is the exclusive managing general agency for Southern Fidelity Insurance Company.

It is agreed between Company and Agent that:

I. Authority of Agent

Agent is an independent contractor, and not an employee of Company, for any purpose. Agent shall have exclusive control over the conduct of Agent's business and the selection of companies Agent shall represent, subject to requirements imposed by law, the terms of this Agreement and schedules, addenda, or attachments hereto, and the underwriting rules and regulations of the Company. Agent shall be responsible for all agency expenses, including but not limited to, rent, utility expenses, salaries, legal fees and costs, postage, telephone expenses, advertising, and licensing fees. Agent shall make and file all reports and returns required by any municipal, state or federal statute or regulation and pay all taxes levied by any municipal, state or federal government by virtue of doing business as an independent contractor. The Company grants the Agent the following authority:

- A. To operate as an Agent for Company in the jurisdictions where Agent and Company are properly licensed with respect to the classes of risks specified in paragraph A.2. below. Agent shall not, however, have the exclusive right to act on Company's behalf in such jurisdiction.
- B. To solicit, receive, accept, bind, issue or endorse insurance contracts to the extent authorized by Statements of Binding Authority attached to this Agreement, covering lines of business for which commission is specified in commission schedules or addenda attached hereto, and as outlined in Company underwriting guides or any other document. The Statements of Binding Authority may be changed at any time at the sole discretion of the Company upon written notice to Agent. Agent shall transmit copies of all binders, evidence of insurance and endorsements issued or shall otherwise notify company of all liability accepted not later than the third business day following the earlier of (i) inception of coverage or (ii) execution.
- C. To collect and account for premium in accordance with company procedures on business written by Agent. Agent shall act in a fiduciary capacity with respect to all premiums collected. All premiums collected by Agent for insurance contracts placed with Company by Agent (i) are the property of Company; (ii) shall be held by Agent as trust funds to be paid to Company as provided in this Agreement; and (iii) shall be held in a premium account segregated from Agent's other funds.
- D. To request cancellation or non-renewal of any policy placed by Agent with Company.
 - i. Upon Agent's request, Company shall give advance written notice of cancellation or non-renewal to the policyholder or obligor.
 - ii. Nothing in this Agreement shall interfere with Company's rights to cancel or non-renew any insurance policy issued by or through Agent.
 - iii. The rights and obligations contained in this paragraph with respect to cancellation and non-renewal of insurance policies are subject to requirements imposed by law and must be in compliance with any applicable provisions contained within the insurance contracts.

II. Agent's Representations and Warranties

- A. Agent represents and warrants to Company that Agent and any person that Agent employs or contracts with to perform any of Agent's obligations under this Agreement:
 - i. Shall have and maintain all licenses, permits, registrations, certifications and authorizations required to perform Agent's obligations under this Agreement; and
 - ii. Has not been convicted of any criminal felony involving dishonesty, breach of trust or a violation of 18 USC §1033-1034, unless such person has obtained specific written consent of the appropriate state insurance regulatory official.
- B. Agent shall immediately notify Company if any required license, permit, registration, certification or authorization is suspended, revoked, cancelled or non-renewed.

II. Direct Billed Policies

The Company will bill insured directly, the following provisions apply:

- A. Agent shall submit all applications to Company and shall collect and remit to Company with each application any required deposit premium in gross, without deducting any commission which may be due Agent by Company under the terms of this Agreement.
- B. Following issuance of the initial policy and collection of the initial premium, Company shall assume full responsibility for billing and collecting all premiums, including any endorsement premium.
- C. Company shall pay commissions within thirty (30) days after the end of the month in which it receives and records premium, subject to any setoff to which it is entitled.
- D. Company shall clearly identify Agent by name on all policies, endorsements, premium notices, renewal certificates, and cancellation and non-renewal notice to policyholders.

III. Commissions

- A. As full compensation for services, Company shall pay Agent commissions in accordance with the most recent commission schedule made part of this Agreement ("Schedule") on premium reported and paid to Company on business written by Agent. Agent agrees to refund unearned commission, whenever premiums are refunded by Company, at the same rate at which such commission was originally paid or retained.
- B. The Company may change commission schedules at any time upon prior written notice to Agent.

IV. Amendments to Agreement

This Agreement may be amended at any time by written agreement of Agent and Company. This section does not apply to amendments of the Statement of Binding Authority or Schedules, which may be revised by Company in accordance with section IB or to the Commission Schedule which may be revised by Company in accordance with IIIB.

V. Indemnification

- A. Company shall indemnify and hold Agent harmless from and against all sums, including costs and expenses of suit defense and settlement, not of any insurance proceeds or other realized recoveries received, which Agent shall become legally obligated to pay by reason of liability imposed on Agent by law for damages sustained by policyholders of Company, caused solely and directly by error or omission of Company in the preparation and handling of policies, or, in the instance of direct billed business, by Company's failure to send to any policyholder, before due date, a notice of premium due.
- B. Company agrees to indemnify and hold Agent harmless against any civil claim or liability for damages and expenses, including the costs of defending suit, net of any insurance proceeds or other realized recoveries received, which Agent may be obligated to pay as a direct result of Company's failure to comply with the requirements of any law pertaining to Company's conduct of the insurance business, except when such failure is the result of the negligence or willful or intentional act or omission of Agent.
- C. Agent shall promptly notify Company upon receipt of any claim or suit which may be referred to Company under paragraphs a. or b. above.
- D. With regard to any claim to which paragraphs a. or b. of this Section VI applies, Agent shall not (i) make any hold harmless agreement or contract any expense nor voluntarily assume liability in any situation nor (ii) make or contract any settlement of a claim against Agent, except at Agent's own cost and responsibility, without the written authorization of Company. Agent shall at all times fully cooperate with Company in the defense of any claim hereunder, shall assist in the preparation for trial and shall, if requested, attend the trial of any such claim.
- E. Agent agrees to indemnify and hold Company harmless from and against all sums, including costs and expenses of suit, defense and settlement, which Company shall become legally obligated to pay, as a result of an error or omission caused solely and directly by Agent but only to the extent Agent is legally liable to Company.

- F. Agent agrees to maintain errors and omissions insurance coverage from an insurer acceptable to Company in appropriate limits of liability. Agent agrees to provide Company evidence of coverage upon request. Agent will promptly notify Company of any cancellation or modification of such coverage.

VI. Suspension

If Agent does not make timely accounting for or payment of any sums due Company, Company reserves the right, upon written notice to Agent, to suspend Agent's authority to bind coverage, write any new or renewal business, or change any policy during the period of the suspension. Agent shall not be suspended because of routine differences in the accounting records of Agent and Company unless such differences involve the willful withholding of premium collected by Agent.

VII. Termination

- A. This Agreement, and/or any Schedule, addendum or attachment hereto, shall be terminated:
- i. By Company, immediately and without notice to Agent, if any public authority cancels or declines to renew Agent's license or certificate of authority;
 - ii. By Company, immediately and without notice to Agent, in the event of Agent's fraud, insolvency, gross and willful misconduct, abandonment, or failure to pay over to Company monies due after receipt of written demand therefore;
 - iii. By Company, immediately and without notice to Agent, on the effective date of sale or transfer of Agent's business; Agent's merger, consolidation, or reformation; or termination of any partnership, unless Company has first agreed in writing to the assignment of this Agreement;
 - iv. By either party for any reason, upon not less than thirty (30) days' written notice to the other, in which event the following conditions shall apply:
 1. Agent's authority to issue claim drafts and to solicit, bind, execute, or issue contracts of insurance for new business, certificates or renewals shall cease as of the time notice of termination of this Agreement, and/or any schedule, addendum or attachment hereto is given.
 2. Unexpired policies shall be continued in force until expiration, subject to earlier termination in accordance with Company's underwriting standards or for nonpayment of premium.
 3. Company shall honor any direct request by a policyholder for coverage through another agent or for cancellation of the policy.
 4. Agent shall be authorized, subject to underwriting rules and practices of Company, to effect any necessary changes on in-force policies of insurance, provided that the changes do not increase or extend Company's liability under, or alter the terms of, any such policy. Agent shall collect and remit premium to Company on such policies as a fiduciary and in accordance with Company procedures and this Agreement.
- B. Upon termination, Agent shall return to Company any unused applications, policies, claim drafts, forms or other Company supplies furnished to Agent. These shall always remain the property of the Company and must be accounted for upon demand by Company.
- C. Company shall, at Agent's request, provide a record of unexpired direct-billed policies Agent has placed with Company.

VIII. Ownership of Business

- A. While this Agreement is in effect, Company will not use its records of insurance placed by Agent to solicit policyholders for the sale of insurance or other products or services without first obtaining Agent's written consent. Company may, however, provide Company direct-billed policyholders with information of general interest such as proposed legislation or regulations, broader perils, available options for deductions, loss

reduction or other coverages.

- B. In the event of termination of this Agreement, Agent having promptly accounted for and paid over to Company all premium for which Agent may be liable, Agent's records, and use and control of expirations, shall remain the property of Agent and be left in Agent's undisputed possession; otherwise records, and use and control of expirations shall be vested in Company with right of sale. In the exercise of its right to collect any indebtedness due from Agent, including the sale of expirations, Company shall be accountable to Agent for any sums received by Company and such excess shall be payable by Agent at any time upon demand by Company and without regard to the terms of any promissory note, agreement of sale, or other collection agreement providing for periodic or postponed payment of the indebtedness.

IX. Brokered Business

Agent shall submit to Company only that business which Agent has directly solicited and which is under Agent's direct control. Agent shall not broker business for another producer without the prior written approval of an authorized Company representative.

X. Financial Statements

Upon request, Agent shall provide Company with Agent's financial statements prepared in accordance with generally accepted accounting principles and upon which a certified public accountant has rendered a compilation letter.

XI. Non-Waiver

Failure or delay of Company for any reason, or for any length of time, to exercise any of its rights under this Agreement or to insist upon Agent's compliance with any or all provisions of this Agreement shall not constitute waiver thereof in whole or in part.

XII. Records

- A. Agent agrees to permit Company to visit, inspect, examine and audit Agent's underwriting, claims and financial records in Agent's possession or control or in the possession or control of any other person relating to the business covered by this Agreement. Company agrees to provide Agent with reasonable notice and to visit during normal working hours.
- B. In the event of a discrepancy between Agent's and Company's records regarding insurance placed with Company by Agent, the records of the company shall control.
- C. Agent agrees to keep true and complete books and records for all transactions on behalf of Company, including, but not limited to, all policies, binders and endorsements and all correspondence (including emails), for a period of five years.

XIII. Advertising

- A. Agent may broadcast, publish and distribute materials referring to Company and to its products and services; provided, however, that Agent shall first secure Company's written authorization with respect to any such materials which were not prepared by Company.
- B. With respect to materials which were prepared by Company and which refer to Company and to its products and services, Agent shall not alter any such materials and thereafter broadcast, publish or distribute them as altered without first obtaining Company's written authorization.
- C. Agent shall not employ, reproduce or display Company trademark, service mark, logo or other identifying symbols in any manner whatsoever without first obtaining written authorization from Company.

XIV. Automated Systems and Forms

- A. With regard to all Company automated systems, in entering appropriate new business, renewal, policy change,

premium audit or any other data into said systems, Agent shall:

- i. Adhere to the current underwriting guides and binding authority for the specific line of business;
 - ii. Retain on file all underwriting and other forms required by Company;
 - iii. Retain on file signed application forms for any new business transactions where required by law;
 - iv. Retain on file any state-mandated forms, including those that require the insured's signature; and
 - v. Correct any data entry/systems errors, file criticisms or Agent practices, whether discovered through audit or Underwriting Quality Review or otherwise by Company or Agent, within a reasonable time.
- B.** Agent agrees to use Company systems only in compliance with applicable federal and/or state laws and regulations.
- C.** Agent agrees to maintain Internet Explorer 5.0 or higher and a 56K or higher internet connection to utilize online rating software, an e-mail account for communications, and any other system requirements as deemed necessary by the Company to maintain the online rating and policy management system.
- D.** Any changes in computer system requirements will be communicated to the Agent with 60 days advance notice of the change.
- E.** Company has the right to inspect, and state regulators shall, upon request, have access to Agent's files to confirm that Agent is in possession of all documents required and to ensure compliance with Company and state regulatory requirements. Such inspection shall, upon reasonable notice, be made at any time during normal working hours. Any file criticized as a result of such inspection shall be corrected within a reasonable time.
- F.** Agent shall keep all underwriting and required documents named herein for five (5) years from the date of policy expiration or for that period of time required by applicable state law, whichever is greater. Documents shall be reasonably accessible and maintained in accordance with applicable state law.
- G.** Company agrees to hold Agent harmless from any damages arising directly from the destruction of any or all of the underwriting or other required documents named in this Section XIV when such destruction is due to property damage from natural causes or causes beyond the knowledge and control of Agent.
- H.** Agent agrees to hold company harmless from any fines assessed against Company, from any regulatory authority, for failure to comply with laws or regulations which relate to this section of the Agreement, where Agent was in violation of this section of the Agreement and said violation is the cause of or contributed to said fine against Company.
- I.** All computer systems, software and Company forms are considered Confidential Material and are produced for exclusive use by Company. At all times after execution of this Agreement, Agent shall not use for itself, abuse, or disclose to others any Confidential Material. Agent agrees to return any and all documents and/or software containing Confidential Material to Company upon Company's request or upon the termination of this Agreement.

XV. Automatic Compliance

Any provision or stipulation of this Agreement not in accord or compliance with applicable law shall be nonetheless construed to be limited or broadened, as the case may be, to comply with such law. If any provision of this Agreement, or an portion thereof, shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

XVI. Headings

The section headings in this Agreement are for convenience of reference only and shall not affect its interpretation.

XVII. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to principles of conflicts of laws.

XVIII. Venue

In any action between the Company and the Agent, the venue for said action shall be Tallahassee, FL.

XIV. Plural

The singular shall be deemed to include the plural and vice versa as the context may require.

XX. Assignment of Agreement

This Agreement may not be assigned or transferred, by operation of law or otherwise, by any party without the express prior written consent of the other party.

XX. Agreement Effective

This Agreement supersedes all previous agency agreements, whether written or oral, between Company and Agent, and shall be effective ~~April 30, 2005~~; and shall continue in full force and effect until amended, suspended or terminated as elsewhere provided herein.

Company

By: [Signature]

Name: Anthony DiBuono

Title: VP Marketing

Date: 9/1/15

Agency

By: Independent Market Solutions, LLC

Name: David D. Burt

Tax ID: 47-4155202

Agent License Number: L093669

Date: 8/20/15

****COMPANY USE ONLY**

Property Commission:

Flood Commission:

New Business: _____

New Business: _____

Renewal Business: _____

Renewal Business: _____

Rollover Business: