

COTERIE INSURANCE AGENCY, LLC

PRODUCER AGREEMENT

IMPORTANT: THIS PRODUCER AGREEMENT (THE “AGREEMENT”) IS MADE AND ENTERED INTO EFFECTIVE ON THE LAST SIGNATURE DATE SET FORTH BELOW (THE “EFFECTIVE DATE”), BY AND BETWEEN

INDEPENDENT MARKET SOLUTIONS, LLC

 (“PRODUCER”) AND COTERIE INSURANCE AGENCY, LLC. (“COTERIE”) (EACH A “PARTY” AND TOGETHER, THE “PARTIES”). THE TERMS AND CONDITIONS BELOW WILL GOVERN THE RELATIONSHIP BETWEEN PRODUCER AND COTERIE, THE USE OF COTERIE’S CARRIER AND/OR MARKET(S) ACCESS, AND OTHER SERVICES PROVIDED PURSUANT TO THIS AGREEMENT. PRODUCER SHALL BE RESPONSIBLE FOR REVIEWING AND BEING FAMILIAR WITH THIS DOCUMENT AND ANY SCHEDULES THERETO. PRODUCER SHALL FURTHER BE RESPONSIBLE FOR REVIEWING AND BEING FAMILIAR WITH THE TERMS AND CONDITIONS OF THE WEBSITES AND PRIVACY POLICIES OF COTERIE’S CARRIER AND/OR MARKET(S). PRODUCER’S ACCESS TO THE WEBSITES OF COTERIE’S CARRIER AND/OR MARKET(S), AND THE SERVICES TO BE PROVIDED HEREUNDER ARE EXPRESSLY CONDITIONED UPON ACCEPTANCE OF ALL THE TERMS AND CONDITIONS OF THIS AGREEMENT, AND ANY APPLICABLE POLICY BY COTERIE’S CARRIER AND/OR MARKET(S).

1. Services

a. During the term of this Agreement, and subject to the terms provided herein, COTERIE shall provide PRODUCER with access to one or more insurance carriers, market(s) or underwriting facilities with whom COTERIE has a contractual relationship (“MARKET(S)”). The information and services made available through COTERIE and its websites, electronic applications, and/or other API (“WEBSITE(S)”) and the WEBSITE(S) of the MARKET(S) are collectively referred to herein as the “SERVICES”. COTERIE does not recommend or endorse any specific MARKET, nor does COTERIE assume any responsibility regarding the actions or representations of any MARKET in connection with obtaining or providing insurance quotes, or obtaining or issuing insurance policies. PRODUCER and each of the MARKET(S) will independently determine in their sole discretion whether or not to seek, obtain, or provide quotes or binders, or obtain or issue insurance policies. COTERIE may at any time, subject to notice as provided below, rescind the PRODUCER’S authority to use the SERVICES.

b. PRODUCER may utilize the SERVICES to solicit applications for insurance policies in all states where the MARKET(S) are licensed to issue insurance policies, but only to the extent and upon the terms for which the MARKET(S) are licensed, and in compliance with this AGREEMENT and applicable law. The MARKET(S) shall at all times have the

right to reject or postpone any application for insurance or to counteroffer insurance of a different kind, date, amount, or premium rate. PRODUCER shall not deliver any policy solicited by PRODUCER until it is directed to do so in writing, or consistent with written guidelines provided, by the applicable COTERIE MARKET.

2. Eligibility

a. Use of the SERVICES is limited to parties that may lawfully enter into and form contracts under applicable law. PRODUCER must register with COTERIE and provide all requested information regarding PRODUCER prior to making any use of the SERVICES. The specific eligibility requirements shall be set out in this AGREEMENT. Failure to satisfy any of the eligibility requirements or provide any requested information may result in termination of this AGREEMENT or the suspension or restriction of the SERVICES.

b. COTERIE reserves the right to, in its sole discretion, (i) refuse to accept any PRODUCER or, even if COTERIE accepts a PRODUCER, (ii) refuse to accept any subproducer, representative, agent, or employee of such PRODUCER.

c. PRODUCER and its employees, subproducers, representatives, and agents (collectively “PRODUCER LICENSEES”) must at all times maintain valid agent/broker licenses for each state and each line of business in which PRODUCER or PRODUCER LICENSEES solicit insurance business from insureds or prospective insureds. PRODUCER represents and warrants that it and its PRODUCER LICENSEES hold such licenses. Neither PRODUCER nor any PRODUCER LICENSEE may solicit or sell insurance business in any state in which it is not licensed. PRODUCER represents that such license(s) are not limited by any condition or restriction imposed by any regulatory authority. PRODUCER must furnish proof of such licensing to COTERIE prior to soliciting business pursuant to this AGREEMENT. PRODUCER shall promptly notify COTERIE of any changes in license status for each state in which the PRODUCER or its PRODUCER LICENSEES do business. COTERIE reserves the right to terminate, suspend or restrict this AGREEMENT, and suspend the payment of commissions in the event that PRODUCER’s or any PRODUCER LICENSEE’s license(s) lapse or are cancelled, or PRODUCER fails to provide evidence of current unrestricted license(s). PRODUCER agrees to comply with the laws of the states in which the insurance risk for which they are obtaining a quote is located, including without limitation, all laws regarding the license required to be held by PRODUCER or PRODUCER LICENSEES that are utilizing the SERVICES.

d. PRODUCER agrees to maintain Errors & Omissions (“E&O”) insurance covering PRODUCER’s activities issued by an insurer rated not less than “A-” by A.M. Best Company and with limits of at least \$1,000,000 annual limits for property and casualty business written by PRODUCER. PRODUCER represents and warrants that it holds and

shall hold such insurance unless authorized in writing by COTERIE and appended to this Agreement. An updated declarations page or signed certificate of liability insurance (ACORD 25) must be provided to COTERIE on the anniversary date each year thereafter or at any time COTERIE requests such information. In the event that PRODUCER's E&O insurance lapses or fails to remain in full force and effect, PRODUCER shall promptly notify COTERIE and voluntarily cease use of the SERVICES until such time that the PRODUCER's E&O insurance coverage has been reinstated or placed in force. COTERIE reserves the right to, in its sole discretion, terminate, suspend or restrict this AGREEMENT, and suspend the payment of commissions in the event that PRODUCER's E&O insurance coverage lapses or is cancelled, or if PRODUCER fails to provide evidence of such coverage at the request of COTERIE.

e. PRODUCER will be provided access to COTERIE's WEBSITES wherein insurance quotes can be obtained by PRODUCER, the quotes can be accepted, and the MARKET(S) can issue corresponding insurance policies. PRODUCER has no other authority to bind, make, alter, vary or discharge any insurance policy, extend the time for payment of premiums, waive or extend any policy obligation or condition, or incur any liability on behalf of COTERIE or the MARKET(S). PRODUCER shall not use the name, logo, identifying mark, or trademark of COTERIE or any MARKET(S) without the prior written consent of COTERIE or the MARKET(S).

f. PRODUCER or PRODUCER LICENSEES may issue an ACORD Certificate of Insurance on an insurance policy issued pursuant to this AGREEMENT that accurately reflects the insurance policy in place on the date the insurance certificate is issued. Neither PRODUCER nor PRODUCER LICENSEES may issue a certificate that endorses, amends, extends or alters in any way the terms of an insurance policy produced pursuant to this AGREEMENT. All coverage changes to an insurance policy must be approved by COTERIE and endorsed on the policy before any ACORD certificate reflecting these changes can be issued.

g. Upon receipt of any communication from a policyholder or its representative indicating that the policyholder desires to make a claim against an insurance policy issued pursuant to this AGREEMENT, PRODUCER or PRODUCER LICENSEE is required to transmit such notice of claim to COTERIE immediately. Neither PRODUCER nor PRODUCER LICENSEES shall respond to any such communication without COTERIE's written approval.

3. Websites

Terms of Use and the Privacy Policies and Other Notices from COTERIE's and the MARKET(S)' WEBSITES are incorporated into this AGREEMENT. PRODUCER and PRODUCER LICENSEES shall review and comply with COTERIE's and the MARKET(S)' requirements as provided from time to time, including without limitation any policy related to use of the WEBSITES and any MARKET(S)' Privacy Policy. COTERIE's and the MARKET(S)' WEBSITES and the SERVICES

may only be used to obtain insurance policy quotes in relation to the submission of an insurance policy application to COTERIE, and may not be used for any other purpose. The authorization to use the WEBSITES and SERVICES is at all times subject to guidelines and other instructions provided by COTERIE. COTERIE may make changes to this AGREEMENT, any policy related to the use of the WEBSITES, and any MARKET(S)' Privacy Policy from time to time. PRODUCER and PRODUCER LICENSEES are each responsible for reviewing and complying with any such changes. If at any time PRODUCER or PRODUCER LICENSEES do not wish to accept a revised version of this AGREEMENT, a policy related to the use of the WEBSITES, and/or any MARKET(S)' Privacy Policy, PRODUCER's sole remedy shall be to terminate this AGREEMENT as provided in Section 9 below. If PRODUCER or PRODUCER LICENSEES continue to use the WEBSITES and SERVICES after such changes, PRODUCER and PRODUCER LICENSEES will be deemed to have accepted the terms of the revised AGREEMENT or policies and be bound by them.

4. Commissions; Charges; Payment and Collection of Amounts Due

- a. In consideration of PRODUCER obtaining insurance policy quotes for its customers through COTERIE and its WEBSITES, subject to the terms and conditions in this Agreement, PRODUCER shall be paid commissions on policies placed or obtained through COTERIE per the Commission Schedule in Exhibit A. The Commission Schedule may be amended by COTERIE at any time and is incorporated herein by reference. Such changes will become effective on the date stated in the written notice to PRODUCER, and such effective date shall not be less than thirty (30) days after delivery of the written notice. No change in commission will affect PRODUCER's commissions on policies accepted by COTERIE or the MARKET(S) prior to the effective date of the change.
- b. Any amounts or commission due PRODUCER or PRODUCER LICENSEES may be offset against any amounts owed by PRODUCER to COTERIE or any COTERIE affiliate or MARKET(S).

THE OBLIGATION OF COTERIE TO PAY COMMISSION ON ANY POLICY IS EXPRESSLY SUBJECT TO THE COLLECTION BY COTERIE OF SUCH COMMISSION FROM THE INSURANCE CARRIER OR MARKET(S). THE PAYMENT OF COMMISSIONS MAY BE SUSPENDED UNTIL VALID AND EFFECTIVE E&O INSURANCE COVERAGE AND/OR ACTIVE AND PROPER LICENSING INFORMATION HAS BEEN PROVIDED BY PRODUCER TO COTERIE.

- c. PRODUCER and PRODUCER LICENSEES may only charge agent/broker fees as permitted by applicable law and subject to the MARKET(S)' requirements. PRODUCER agrees to adhere to all laws and regulations concerning such fees, including any appropriate disclosures, and to refund any such fees unlawfully charged to any applicant upon COTERIE's request within five (5) days of notification by COTERIE.

d. PRODUCER shall be liable to COTERIE and shall pay return or unearned commissions on canceled insurance and on reductions in premium at the same rate as originally allowed to PRODUCER or PRODUCER LICENSEES and must pay such return or unearned commissions to COTERIE within fifteen (15) days of a request by COTERIE.

e. Notwithstanding Section 4(d), PRODUCER will not be responsible for any disputed or uncollectible additional premium due pursuant to any annual or interim premium audit under any insurance policy placed or arranged by COTERIE, *provided*, the PRODUCER notifies COTERIE of the PRODUCER's and PRODUCER LICENSEES' inability, following PRODUCER's diligent efforts, to collect such additional premium within thirty (30) days after PRODUCER receives written notice from COTERIE of such additional premium and, *provided further*, PRODUCER will not be entitled to any compensation with respect to such additional premium, irrespective of whether such premium is collected from the applicable policyholder. This Section will survive the termination of this AGREEMENT.

f. PRODUCER and PRODUCER LICENSEES cannot collect payments on behalf of any MARKET(S), except where allowed through the MARKET(S)' Websites.

g. Any premiums PRODUCER or PRODUCER LICENSEES collect or receive from policyholders for insurance placed hereunder, and any premium refunds that are paid by COTERIE to the policyholders, shall be deposited into one or more of the PRODUCER's fiduciary accounts in accordance with any applicable insurance laws or regulations until they are due to be paid to COTERIE or such policyholder, as the case may be.

5. Privacy and Security

a. PRODUCER and PRODUCER LICENSEES are solely and exclusively responsible for knowing and complying with all of their privacy and cybersecurity/data protection obligations under applicable law. PRODUCER will fully cooperate with COTERIE and the MARKET(S) upon written request regarding any issues concerning privacy and/or security compliance.

b. PRODUCER agrees that any information concerning COTERIE, its clients, the MARKET(S) and their practices and personnel is confidential and proprietary in nature and not to be shared with any other person without the express written permission of COTERIE. PRODUCER may share such information with its employees to the extent necessary to perform its obligations under this AGREEMENT; *provided* that, PRODUCER requires such employee to adhere to the confidentiality obligations under this AGREEMENT. PRODUCER shall protect any such information to the same extent that it would protect its own confidential information. Confidential information does not include the following: (a) information that is in the public domain; (b) information that PRODUCER has obtained from a third-party independent source from the performance

of any obligations under this Agreement; or (c) information that is known by PRODUCER prior to receiving such information from COTERIE. PRODUCER agrees that COTERIE shall be entitled to injunctive relief and any other remedies afforded by law if such information is disclosed by PRODUCER or its employees.

c. The account information and password granted to PRODUCER may be used only to access the WEBSITES, use the SERVICES, electronically sign its transactions and review its completed transactions. PRODUCER is solely responsible for maintaining the security of its password. PRODUCER may not disclose its password to any third party (other than PRODUCER LICENSEES authorized by PRODUCER to use its account) and is solely responsible for any use of or action taken under its password on the WEBSITES. If PRODUCER's password is compromised, PRODUCER must immediately notify COTERIE and change its password with confirmation in writing to COTERIE that password has been changed.

d. PRODUCER has sole and exclusive responsibility for all systems required by PRODUCER and PRODUCER LICENSEES to access and use the WEBSITES and the SERVICES, including without limitation all hardware, operating software, applications software, electronic storage, browser configuration and network connectivity. COTERIE hereby disclaims all liability arising from any changes PRODUCER or PRODUCER LICENSEES may make to their computer or software to use the SERVICES.

6. Ownership of Expirations

PRODUCER's records, together with the use, control and ownership of expirations applicable to any insurance placed or arranged by or through COTERIE will remain PRODUCER's property, and such records and expirations will remain the property of PRODUCER even if there is a good faith dispute between PRODUCER and COTERIE with respect to the accounting and/or payment of premiums and other amounts due and owing.

7. Termination

This AGREEMENT may be terminated by COTERIE upon thirty (30) days' written notice to PRODUCER without cause. If PRODUCER is terminated for any of the following reasons, such termination may be effective immediately upon receipt of written notice and PRODUCER shall not be entitled to the payment of commissions after termination of this AGREEMENT:

- a) PRODUCER withholds any funds, policies, or other property belonging to COTERIE, MARKET(S) or any insured or applicant for insurance or fails to pay an amount when due;
- b) a regulatory authority cancels or refuses to renew any license necessary for PRODUCER or its employees to produce insurance, or such license lapses;

- c) PRODUCER fails to comply with this AGREEMENT, any amendment hereto, or any guideline, policies or written instruction provided by COTERIE or any MARKET(S);
- d) PRODUCER commits any act of fraud or misrepresentation;
- e) PRODUCER becomes bankrupt or insolvent, either voluntarily or involuntarily commences any action for relief under the bankruptcy laws of the United States, is dissolved or liquidated; or
- f) PRODUCER's E&O insurance coverage is canceled, lapses, or is reduced below a level acceptable to COTERIE.

If this AGREEMENT is terminated by either party, PRODUCER shall be liable for financial obligations incurred with COTERIE. PRODUCER shall return to COTERIE all materials of a proprietary nature, such as applications, certificates of insurance, policy forms, rate manuals, electronic materials of any kind, and all other manuals provided to PRODUCER by COTERIE.

8. Independent Contractor; No Agency; No Third-Party Beneficiaries.

- a. This Agreement does not create any employment, partnership, agency, joint venture, or other fiduciary relationship between PRODUCER and COTERIE. PRODUCER is an independent insurance producer and is not acting under appointment as an agent for COTERIE or any MARKET(S). PRODUCER and, to the extent applicable, PRODUCER LICENSEES are each an independent contractor for all purposes under this Agreement.
- b. Nothing expressed or implied in this Agreement shall be construed to give to any person other than the parties hereto or any third party beneficiaries any legal or equitable rights, remedies, or claims under or in respect to this Agreement.

9. Representations and Warranties.

- a. PRODUCER represents and warrants that: (i) at all times, it will comply with all applicable laws and regulations relating to its business; (ii) to the best of its knowledge, the information it provides to COTERIE is accurate and complete; and (iii) it will comply with all COTERIE policies and any MARKET(S)' Privacy Policy.
- b. COTERIE makes no representations or recommendations regarding coverage choices, limits, deductibles or endorsements of any applicant for insurance nor does COTERIE warrant the suitability of any insurance or insurance policy for any person's needs. COTERIE does not guarantee PRODUCER's satisfaction with the performance of

the MARKET(S), nor does COTERIE guarantee or promise that PRODUCER will successfully obtain quotes, bound coverage, or policies from any MARKET(S) through the use of the SERVICES. It is the exclusive duty of the PRODUCER to assess an applicant's needs and to make insurance coverage and related insurance recommendations.

10. Indemnity

a. COTERIE agrees to indemnify, defend and hold harmless PRODUCER against any and all claims, demands, losses, expenses, liabilities and damages of whatever nature, including interest, penalties and reasonable attorney fees (collectively herein, "COSTS") PRODUCER may incur, which result from, arise out of, or relate to any breach by COTERIE of this Agreement.

b. PRODUCER agrees to indemnify, defend and hold harmless COTERIE, the MARKET(S), claims administrators, and servicing companies against any and all costs COTERIE and/or they may incur, including costs of collection of any amounts due hereunder, or which result from, arise out of, or relate to: (i) PRODUCER's duties, obligations, or performance under this Agreement; (ii) PRODUCER's duties or obligations to its customers, to PRODUCER LICENSEES, or to the MARKET(S); (iii) any violations of the obligations of PRODUCER or PRODUCER LICENSEES under applicable insurance law; or (iv) any other acts or omissions of PRODUCER and/or PRODUCER LICENSEES.

c. Each party to this Agreement shall promptly notify the other party in writing of the existence of any claim or anticipated claim that is subject to indemnification under this section. Each party and/or its affiliates shall at all times have the right to fully participate in such defense at their own expense.

11. Limitation of Liability and Disclaimer

COTERIE AND COTERIE MARKET(S) WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOST BUSINESS OPPORTUNITY) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE WEBSITES, THE SERVICES, USE OF THE SERVICES, OR THE INABILITY TO USE THE SERVICES, REGARDLESS OF WHETHER THE CLAIM GIVING RISE TO SUCH DAMAGES IS BASED UPON BREACH OF WARRANTY, BREACH OF CONTRACT OR NEGLIGENCE, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. COTERIE DISCLAIMS SUCH LIABILITY TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW. COTERIE MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED.

12. General Provisions

a. **Applicable Law.** The WEBSITES and the SERVICES are arranged, sponsored, and managed by COTERIE in the State of Delaware. The laws of the State of Delaware govern this Agreement and all of its terms and conditions, without giving effect to any principles of conflicts of laws. PRODUCER agrees to waive jury trial and to the trial of any disputes solely before a judge. COTERIE is entitled to attorneys' fees and costs of suit if it obtains an order, judgment in any amount, injunction or other relief.

b. **Entire Agreement.** This Agreement, including any terms and conditions incorporated herein by reference, and the general terms and conditions contained on the WEBSITES, including but not limited to policies related to the use of the WEBSITES and any MARKET(S)' Privacy Policy constitute the entire agreement of the parties with respect to the subject matter hereof, and supersede and cancel all prior and contemporaneous agreements, representations, and understandings of the parties in connection with the subject matter hereof.

c. **Applicability.** If PRODUCER has any agreements with COTERIE in effect as of the date hereof, such agreements are hereby cancelled and superseded in their entirety by this Agreement. This Agreement shall apply to all policies heretofore and hereafter bound or placed through COTERIE by PRODUCER.

d. **Severability.** If any provision of this Agreement shall be deemed unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from these terms and conditions and shall not affect the validity and enforceability of any remaining provisions.

e. **No Waiver.** COTERIE will not be considered to have waived any of its rights or remedies described in this Agreement unless the waiver is in writing and signed by COTERIE. Failure by COTERIE to enforce performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provisions of this Agreement against PRODUCER.

f. **Assignability.** PRODUCER may not transfer or assign the Agreement except with written consent of COTERIE. In the event that PRODUCER sells, transfers or merges their agency, or PRODUCER purchases an agency, PRODUCER must notify COTERIE immediately. COTERIE may assign its rights under this Agreement to any affiliate for the purpose of facilitating its Services.

g. **In every case where notice is necessary under this Agreement, such notice shall be in writing and shall be served upon COTERIE or PRODUCER as the case may be, personally or by sending said notice either by ordinary mail or electronic mail to COTERIE or PRODUCER at the mailing address or email address listed on the signature page hereto. Receipt of such notices shall be deemed effective upon confirmation of receipt.**

- h. COTERIE shall not assume nor be responsible for any expenses of PRODUCER, including but not limited to rentals, transportation facilities, clerk hire, attorney fees, postage, advertising, telephone exchange, or personal local license fees.
- i. Any policies, forms and other supplies furnished to PRODUCER by COTERIE shall always remain the property of COTERIE and any unused materials shall be returned to COTERIE promptly upon demand.

[Signature page follows]

IN WITNESS WHEREOF, the parties have signed this Agreement.

Coterie Insurance Agency, LLC,

a Delaware limited liability company

Mailing Address:

9361 Montgomery Rd. G
Cincinnati, OH 45242

Email: licensing@coterieinsurance.com

Kevin Mackey

Name: Kevin Mackey

Title: Chief Operating Officer

Date: December 14, 2020

Independent Market Solutions, LLC

Mailing Address:

6675 Westwood Blvd., Suite 360
Orlando, FL 32821

Email:
jgrady@faia.com

Richard Sweat

Name: Richard Sweat

Title: Agent in Charge

Date: December 14, 2020

Exhibit A - Commission Schedule

COTERIE will pay Sub-Producers under contract of the Producer **Independent Market Solutions, LLC** the following commissions as a percentage of NEW BUSINESS written premium:

New Business: BOP, GL, Prof. Liability	15%
Renewals: BOP, GL, Prof. Liability	15%

New Business: Workers' Comp.	12%
Renewals: Workers' Comp.	12%

TITLE	Coterie/Independent Market Solutions Revised Producer...
FILE NAME	IMS Revised Coter...ment (Clean).docx
DOCUMENT ID	f76ce8ca79d82adaca453dfbd26e09c9d29d3dcc
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Completed

Document History



SENT

12 / 14 / 2020

19:06:05 UTC

Sent for signature to Richard Sweat (rsweat@sjig.com) and Kevin Mackey (kevin@coterieinsurance.com) from greg@coterieinsurance.com
IP: 75.129.110.48



VIEWED

12 / 14 / 2020

19:06:14 UTC

Viewed by Richard Sweat (rsweat@sjig.com)
IP: 209.222.82.229



SIGNED

12 / 14 / 2020

19:28:03 UTC

Signed by Richard Sweat (rsweat@sjig.com)
IP: 168.215.159.146



VIEWED

12 / 14 / 2020

19:29:04 UTC

Viewed by Kevin Mackey (kevin@coterieinsurance.com)
IP: 208.102.82.4



SIGNED

12 / 14 / 2020

19:33:33 UTC

Signed by Kevin Mackey (kevin@coterieinsurance.com)
IP: 208.102.82.4



COMPLETED

12 / 14 / 2020

19:33:33 UTC

The document has been completed.