

BROKER AGREEMENT

between

Risc One Inc.
400 West Main Street - Suite 302
Riverhead, NY 11901
(631) 369-3800 - Fax (631) 369-0379
(Hereinafter referred to as "MANAGER")

And

(Hereinafter referred to as "BROKER")

Effective Date:

WHEREAS the MANAGER had authority for various insurance companies to underwrite risks of insurance and reinsurance including excess and surplus lines and

WHEREAS the BROKER, subject to the requirements imposed upon the BROKER by law in the jurisdiction(s) within the BROKER is authorized to write, is desirous of placing contracts of insurance and reinsurance with Insurers represented by the MANAGER and utilizing generally the underwriting facilities, knowledge, and service of the MANAGER:

NOW, THEREFORE, it is mutually agreed as follows:

1. **BROKER'S STATUS.** The Broker represents the prospective buyer of insurance. Insofar as transactions under this Agreement are concerned, the Broker is an independent contractor and not the agent of the Manager or any insurer with which the Manager may place insurance. The Broker may not bind any risks nor make any representation on behalf of the manager, nor waive, alter, modify, or change any of the terms, rates, or conditions of any policy or quotation issued by the Manager.
2. **SUBMISSION OF BUSINESS AND DELIVERY OF POLICIES.**
Subject to the applicable state insurance laws and regulations, the Broker may submit risks from any territory in which the Broker is licensed to sell such coverage.
3. **PREMIUM COLLECTION**
The Broker shall pay to the Manager all premiums due on insurance bound or written hereunder, whether new or renewal or by endorsement, in accordance with paragraph 5. The Broker hereby guarantees all premiums due the Manager on insurance bound or written hereunder, whether or not they are collected by the Broker. Any credit extended to the Insured shall be at the sole risk of the Broker.
4. The Manager shall return to the Broker, or at the Manager's option to the insured, all return premiums due under insurance written and bound hereunder.
5. The Broker shall pay all special fees or services charges on insurance written hereunder. However, the Broker shall not be entitled to any commission on such fees or service charges and such service charges will be settled to the Manager at binding and shall be considered to be fully earned at that date.

6. The Manager shall have the right to offset any premiums due from the Broker against any amounts owed by the Manager to the Broker.
7. COMMISSION. The Manager shall pay the Broker as commission a percentage of the premiums paid on all insurance written under this Agreement at the rate to be advised at time of binding. The Broker shall pay the Manager a return commission at the same rate on any return premiums due on insurance written hereunder, including return premiums on cancellation by the manager.
8. CANCELLATION OF INSURANCE. Nothing in this Agreement shall be construed as limiting or restricting the right of the Manager to cancel any binder, policy or contract of insurance issued under this Agreement in accordance with the cancellation provisions of such binder, policy or contract. The Manager will not accept flat cancellations of contracts of insurance unless requested by notice to the Manager from the insured or surrender to the Manager of the policy or the other written evidence of coverage within ten (10) days of the effective date of such contract of insurance. Those contracts, which contain minimum earned premium requirements, cannot be canceled flat. Broker acknowledges minimum earned premium requirements are imposed (if prior advice) on certain policies by the Manager or the insurers and agrees to be fully responsible for payment thereof in accordance with paragraph 3. The Broker shall not be entitled to credit for any flat cancellation unless expressly agreed to by manager.
9. FORMS AND SUPPLIES. Any forms and supplies furnished to the Broker by the Manager Shall remain the property of the Manager and shall be returned to the Manager upon demand.
10. OWNERSHIP OF THE BUSINESS. The Manager recognized the independent ownership by the Broker of the insurance business subject to this Agreement. In the event of termination of the Agreement, the use and control of expirations shall remain the property of the Broker if the Broker has paid all premiums for which he is liable under this Agreement; otherwise use and control of expirations shall be vested in the Manager.
11. INSTRUCTIONS OF MANAGER. The Broker shall promptly comply with all Manager's instructions relating to underwriting procedures, engineering requirements, claims procedures, and acceptance or cancellations of insurance.
12. ADVERTISING. The Broker shall not insert any advertisement referring to the Manager or any insurer represented by the Manager, or issue or causes to have issued any letter, circular, pamphlet or other publication or statement so referring, without the express written consent of the Manager. In the event the Manager shall be subjected to loss or expense arising out of any unauthorized advertisement, publication or statement of the Broker, the Broker shall be liable for all resulting damages, costs, fines, and penalties suffered by the Manager or the insurance companies represented by the Manager.
13. INSPECTIONS AND AUDITS. The Manager or their duly authorized representatives may inspect or audit any insurance bound hereunder, or the subject matter thereof. The Broker shall be responsible for the prompt adjustment of any adjustable insurance and for reporting to the Manager any additional and/or return premium, which may become due as a result of such adjustment. The Broker guarantees all additional premiums due on any-adjustable insurance, whether or not collectable.
14. COMPLIANCE WITH STATUTE. The Broker warrants compliance with all applicable insurance laws governing the conduct of business the subject of this Agreement. With

respect to excess and surplus line risks submitted by the Broker under this Agreement, the Broker agrees that it will obtain and file all declinations by licensed insurers, pay all excess and surplus line taxes, and submit all reports required by the laws of the state in which the risk is located.

15. INDEMNITY. The Broker agrees to indemnify the Manager, its agents, servants, principals and employees for, and hold it harmless from, any and all claims, suits, damages, costs, losses, expenses, fines, penalties, and attorneys fees suffered or incurred by the Manager in any manner resulting from, or arising out of, the Broker's negligent act, error, or omission or breach of this Agreement.
16. The Broker warrants and represents to the Manger the that Broker now has in force and effect a valid and binding contract of liability insurance covering the Broker for damages occasioned by errors and omissions alleged to have been caused by the Broker. Said contract is written with _____ and was issued on _____ bears the policy number _____ and expires on _____. The Broker further warrants and represents that the premium for said policy has been fully paid and the Broker shall keep such policy, or on similar thereto, in full force and effect at all times during the continuance of this agreement.
17. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement and supersedes all previous agreements, written or oral, between Manager and the Broker and may not be modified, altered, or amended, except upon written consent of the parties.
18. TERMINATION OF AGREEMENT. This Agreement may be canceled at any time by either party giving thirty (30) days written notice to the other. After the date of cancellation of the Agreement, unless otherwise stipulated at the option of the Manager, the Broker shall complete the collection and account to the Manager for all premiums, commissions and other transactions unaccounted for on the date of cancellation or arising thereafter in respect of outstanding insurance's. In case the Manager shall find it necessary to perform any duty otherwise required of the Broker under this Agreement, the Broker shall be liable for all costs incident thereto.
19. CONSTRUCTION. This Agreement shall be construed and interpreted in accordance with the laws of the State of New York.

Executed this day of , 2018.

Attest:

_____ By: _____

Robert A. Miller, Jr. (witness)
Vice President
Risc One Inc.

Attest:

_____ By: _____

(Broker) (witness)