

LIMITED AGENCY APPOINTMENT AGREEMENT

This Limited Agency Appointment Agreement (“Agreement”) is entered into by and between HomeWise Management Company (the “Company”) and _____ (name agent).

1. ADDITIONAL DEFINITIONS

“You” and “Your” means the Agent named above, including any and all agency codes assigned by the Company to You, and that are related to Your Master Code #XX-XXXX.

“We”, “Us” and “Our” means the Company.

“Agreement” includes any amendment, exhibit or schedule attached hereto at any time during the term of this Agreement.

“Policy” and “Policies” means any insurance policy and any declarations page, endorsement or other form that may be attached to such policy which is serviced pursuant to this Agreement

“Policyholder” means the named insured(s) on a Policy.

“Producer” means any individual whom You employ or with whom You contract or otherwise arrange to perform all or some of the activities described in 2.3, below, on Your behalf. The term also includes any licensed entity with whom You contract or otherwise arrange to act as Your business partner in servicing Policies, if any.

2. AUTHORITY AND RESPONSIBILITIES OF AGENT

2.1 This Agreement governs the relationship between You and Us as to Policies.

2.2 You acknowledge and agree that You are an independent contractor, not an employee of the company or of any affiliate of such Company, and as such, You acknowledge that We are not responsible for Your expenses, fees or taxes. In no case will You be deemed an employee, joint venturer, franchisee or partner with Us or any of Our affiliates.

2.3 Subject to the terms and conditions of this Agreement, the requirements imposed by law and other rules, guides and regulations provided by the company and in effect from time to time, You are authorized to:

2.3.1 service Policies, request endorsements and make other changes and modifications to Policies to the extent authorized by underwriting guides,

- bulletins and other written instructions that We, in our sole discretion, may provide from time to time; and
- 2.3.2 accept Policy premiums, which You agree are the property of the Company and which shall be held by You as a fiduciary for Us until delivered to Us; and
 - 2.3.3 list any logo or other trade or services mark provided through the Company on Your website or office signage in the form provided by Us without Our prior approval.
- 2.4 You agree to:
- 2.4.1 comply with the underwriting guides, bulletins and other written instructions as may be provided by Us from time to time in Our sole discretion;
 - 2.4.2 notify Us in writing of all Policy changes or modifications no later than the fifth succeeding business day following the inception date of such change or modification of such coverage;
 - 2.4.3 immediately report to Us all claims and losses and turn over to Us all legal process involving Policies;
 - 2.4.4 cooperate fully with Us in the investigation and adjustment of any claim brought pursuant to a Policy;
 - 2.4.5 advise Us if You or one of Your officers, partners, principals, owners or Producers is or has been convicted of a federal or state felony offense involving dishonesty or breach of trust; and
 - 2.4.6 follow all directives as to the conduct of business conducted pursuant to this Agreement which is communicated to You.
- 2.5 You will ensure that all Producers are aware of and understand the obligations undertaken by You under this Agreement. You are liable for any actions or inactions taken by Producers with regard to Policies, the Company, its affiliated insurers and the obligations undertaken by You or them as described by this Agreement. You agree that Your Producers are subject to the same terms and conditions with regard to the Policies, the Company, its affiliated insurers and the obligations undertaken by You under this Agreement and that You will take appropriate steps to ensure the Producers' compliance therewith.
- 2.6 You acknowledge that You have no authority to admit liability on the part of the Company or any affiliated insurer in any matter, including such as to any claim brought pursuant to a Policy.

- 2.7 You shall have no authority to alter, modify, waive or otherwise change any term or condition of any Policy, except as specifically provided herein.
- 2.8 You shall maintain complete records for all Policies You service, including a record of all transactions as to such Policies, for at least seven (7) years and longer if requested by Us or as required by applicable laws. Policy records shall be made available to Us or to any underwriting insurer for inspection and copying, at the Company's discretion, or that of the underwriting insurer throughout the term of the Agreement and thereafter. Policy records shall be maintained in a location and in a manner sufficient to allow such inspections and replication to be performed in a commercially reasonable manner.

3. LICENSING

- 3.1 You shall maintain a valid license in any jurisdiction in which You perform pursuant to this Agreement.
- 3.2 You agree that only those of Your Producers who are in good standing with the appropriate state insurance licensing department(s) and who meet all other applicable licensing and appointment requirements, if any, will service Policies or otherwise participate in transactions involving Policies.
- 3.3 You shall notify the company within three (3) business days if any of Your Producers appointed through the Company terminate an employment or business Relationship with You.
- 3.4 You shall cooperate with any vendor identified by Us as to matters related to licensure and appointment processes and other activities related thereto.

4. COMPENSATION

- 4.1 In full compensation for all the services You provide under this Agreement and in consideration of Your performance on Your duties and obligations as described herein, We shall pay You in accordance with a "Commission Schedule" We provide You from time to time.
- 4.2 The Commission Schedule may be changed by Us at any time, in compliance with applicable state law.
- 4.3 You shall pay Us return commission on cancelled Policies and on reductions of Policy premium at the same rate at which We pay You commissions.
- 4.4 We will compute and remit to You promptly following the close of each month the commissions We owe You, with adjustments, if any, as described in the Commission Statement.

- 4.5 We will provide You with a monthly “Commission Statement” in a format selected by the Company which will, at a minimum, identify Policies and Policy transactions covered by such statement. Additionally, the Commission Statement may state the types of Polices You are authorized to service under this Agreement.
- 4.6 If You owe Us money as the result of Policy transactions, You must remit payment to Us within the time frame indicated on the applicable commission statement.
- 4.7 Notwithstanding anything herein to the contrary, We shall be entitled, at Our option exercised in Our sole discretion, to setoff any undistributed commissions otherwise owed to You against any indebtedness and other obligations or amounts owed by You to Us.
- 4.8 You shall not assign Your right to receive commissions under this Agreement to any third party without Our prior written consent, which may be withheld at Our sole discretion.

5. PREMIUM PAYMENTS

Notwithstanding Section 2.3.2 of this Agreement, You agree that after collection of any initial Policy payment by You, the Company will directly bill and collect Policy premiums from the Policyholder. As to any payments You collect on Our behalf, You agree that Your obligations as a fiduciary for Us extend throughout the term of this Agreement and after its termination.

6. POLICY CANCELLATION OR NONRENEWAL

Subject to requirements imposed by law and in compliance with the applicable provisions of the Policy in question, the underwriting insurer may cancel or decline to renew any Policy serviced under this Agreement and will provide advance written notice of cancellation or non-renewal to the Policyholder, either directly or through Us.

7. DESIGNATION OF AGENT BY THE POLICYHOLDER

If a conflict exists as to which of two or more duly appointed agents is authorized to service a Policyholder, a written statement signed by the Policyholder designating the agent shall be binding upon You and may be relied upon by Us to determine the servicing agent. We, at Our sole discretion, shall determine which agent is entitled to receive commissions. You agree that Our determination with respect to any such conflict shall be made by Us based on Our sole discretion.

8. ASSIGNMENT OR TRANSFER

- 8.1 This Agreement may not be assigned or otherwise transferred, in whole or in part, by You, by operation of law or otherwise, without Our written consent. We may, in Our sole discretion, refuse to consent to any such assignment or transfer.
- 8.2 You must notify Us in writing of Your intent to sell, merge, or otherwise transfer all or part ownership of Your business or Your interest in Your Policy expirations at least thirty

(30) days prior to the effective date of any such proposed transaction. Upon notice of such transaction, We may, at Our sole discretion, assign this Agreement to a successor organization, terminate this Agreement or terminate this Agreement and enter into a new or amended Agreement with a successor organization.

9. CHANGES TO THIS AGREEMENT AND COMMISSION SCHEDULE

Subject to requirements imposed by law, We may, from time to time, propose revisions to this Agreement including, without limitation, commission rates payable hereunder. Revisions proposed by Us, excluding revisions to the Commission Schedule, shall become effective on the date specified by Us which will be no less than sixty (60) days after the date the revisions are proposed in writing by Us and provided to You. Revisions to a commission schedule shall be as provided in Subsection 4.2

10. TERMINATION OR SUSPENSION

- 10.1 Subject to requirements imposed by law, this Agreement shall terminate upon any of the following:
- 10.1.1 automatically and without notice, if Your license or certificate of authority is cancelled, revoked, or expires, so that You are no longer legally qualified to perform under this Agreement;
 - 10.1.2 immediately, at the option of the Company in the event You abandon Your insurance agency business. We may determine that You have abandoned Your insurance agency business if, among other indications, You fail to respond to Us if We make commercially reasonable attempts to contact You to confirm the active status of Your business and You do not respond in a commercially reasonable period of time or, if We reasonably determine that You have abandoned Your insurance agency business based on other evidence. If we determine that You have abandoned Your insurance agency business, Your Policy expirations become Our property and We may continue to terminate such Policies at Our sole discretion and as provided by applicable law, with no further obligation to compensate You. If We determine that You have abandoned Your business, We will send written notice of Our determination to the last address We have for You, but Our rights under this Section 10.1.2 are not dependent upon Your receipt or acceptance of such notice;
 - 10.1.3 immediately upon written notice to You in the event of fraud, insolvency, or gross and willful misconduct on Your part;
 - 10.1.4 as of the date specified by Us in a written termination notice provided by Us to You, in the event You breach this Agreement or otherwise fail to pay or perform fully and when due any liability or obligation hereunder; or

- 10.1.5 upon either party to this Agreement giving at least ninety (90) days advance written notice to the other (or longer if required by law).
- 10.2 Regardless of the clause under which this Agreement is being terminated, effective upon receipt of the notice of termination subject to applicable law, Your authority under Section 2.3 of this Agreement shall cease, except as follows:
- 10.2.1 With respect to Policies which are in force as of the date of notice of termination, You will retain authority to (i) service endorsements which do not increase liability or risk of loss thereunder, and any other endorsements which have Our prior written approval, and (ii) accept premium on any such Policy.
- 10.2.2 With respect to Policies which are in force as of the date of notice of termination, You will retain authority to submit through Us and We shall promptly forward, any request for an endorsement, other than an endorsement described in Subsection 10.2.1, above.
- 10.3 Any unused Policy forms, claims procedures, underwriting materials and other unused forms, manuals, materials, or other supplies furnished by Us to You remain the property of the Company or of its affiliated insurers, and shall be accounted for and returned by You to Us on demand.
- 10.4 Regardless of the clause under which this Agreement is terminated, and subject to applicable law, You agree that, after such termination, You will continue to maintain and make available for inspection and will permit Us or the underwriting insurer to copy, in Our/its discretion, any records related to any Policy or any claim or other transaction taken pursuant to any such policy.

11. OWNERSHIP OF EXPIRATIONS

Your records and expirations are and shall remain Your property and will be left in Your possession, even after any termination of this Agreement. However, if You abandon Your insurance agency business or are otherwise in material default of the terms of this Agreement at the time We provide notice of termination, at Our sole discretion, the records and use and control of such expirations shall vest in Us. Notwithstanding the foregoing, while this Agreement is in effect, Company may deliver to any Policyholder offers and/or solicitations that would enable such Policyholder to obtain other coverages offered by any insurer affiliated with the Company. Any premium generated from such offer, which is then serviced by You, shall be credited to You in accordance with the Commission Schedule We provide You from time to time.

12. INDEMNIFICATION

- 12.1 We shall indemnify and hold You harmless against any losses, damages, liabilities, claims, demands and expenses (including reasonable attorney's fees) You sustain or incur

arising solely out of an error or violation of law by the Company or an underwriting insurer.

- 12.2 You shall indemnify and hold Us and any underwriting insurer harmless against all losses, damages, liabilities, claims, demands and expenses (including reasonable attorneys' fees) We, or such insurer, sustains or incurs arising solely out of (i) breach by You or by Your Producer of any provision of this Agreement, (ii) any act by You or by Your Producer which is outside the scope of authority expressly granted to You herein, or (iii) any act by You or Your Producer which violates any law or regulation affecting Your operation and its business interactions with Us.
- 12.3 As a condition to any indemnification obligation provided herein, the indemnified party must promptly notify the indemnifying party in writing immediately upon receipt of notice of the commencement of any action relating to any such claim or alleged liability, and the indemnifying party shall be entitled to participate in such action or to assume the defense of such action with counsel selected by the indemnifying party. If the indemnifying party assumes the defense of such action, it shall not be liable to the indemnified party for any legal or other expenses subsequently incurred by the indemnified party in connection with such action.
- 12.4 The provisions of this Section 12 shall survive the termination of this Agreement.

13. COMPANY CONFIDENTIAL INFORMATION; COMPANY SYSTEMS

- 13.1 You acknowledge that the Company and its affiliates are the owners of valuable trade secrets and other confidential information and such other like information which is licensed from third parties which, for purposes of this Agreement, shall be referred to as "Company Confidential Information". Company Confidential Information shall include, but not be limited to, company loss or claims information, Company business plans, customer information and information related to "Company Systems", as such term is defined in Subsection 13.4 below.
- 13.2 You and Your Producers shall treat as strictly confidential and shall not divulge or permit to be divulged to or examined or copied by third parties any Company Confidential Information, but will only use such Company Confidential Information for the purposes and activities contemplated by this Agreement.
- 13.3 You acknowledge and agree that Company Confidential Information is provided "as is" and that neither We nor Our affiliates will be liable for any damages of any type You might suffer (including, but not limited to, any lost profits or revenue) arising from or in any way connected with, Your use of Company Confidential Information.
- 13.4 We may provide You and Your Producers with access to certain company owned or licensed interfaces, hardware, systems and software, which are collectively referred to as "Company Systems" in this Agreement. You agree that such access to the Company

Systems is provided solely to allow You to do business with Us, as contemplated by this Agreement. Neither You nor Your Producers are authorized to access or use the Company Systems for any other reason. You may not share access to Company Systems with third parties.

- 13.5 With regard to Your use of Company Systems, You and Your Producers may be provided security and usage guidelines, which may be amended from time to time. Company Systems may only be used in full compliance with those guidelines, which may include, but not be limited to, guidelines with regard to the use of passwords and log-ons. Neither You nor Your Producer may directly or indirectly attempt to reverse engineer, disassemble, decrypt, decipher, reconstruct or recompile any aspect of the Company Systems.
- 13.6 Access to Company Systems may be terminated by Us at any time, at Our sole discretion. However, if We terminate access for reasons other than a breach of any term of this Agreement, including but not limited to, failure to comply with the terms of this Section 13, We will endeavor to provide You with sufficient notice to avoid any significant business disruption.
- 13.7 You are responsible for paying for any internet service provider charges and for any equipment or upgrade costs You incur to meet the technical requirements of the Company Systems.
- 13.8 You are responsible for the maintenance of the equipment and software required for You to access and use Company Systems.
- 13.9 You agree that any violation by You or by Your Producers of obligations as to Company Confidential Information and Company Systems, as described in this Agreement, may cause irreparable and substantial damage and that no adequate remedy may be available at law or in equity. In the event of a breach or threatened breach of the provisions of this Section 13, We shall be entitled to seek an injunction restraining such breach or threatened breach without having to prove actual damages or threatened irreparable harm, and without having to, therefore, post a bond. Such injunctive relief, as We may obtain, shall be in addition to all of the rights and remedies available at law and in equity.
- 13.10 Although We intend to use commercially reasonable efforts to maintain the proper functioning of company Systems, the Company does not represent or warrant that the company Systems will meet Your requirements or that the operation of the Company Systems will be uninterrupted or error-free.
- 13.11 Access to the Company Systems is provided “as is”, and neither We nor Our affiliates will be liable for any damages of any type You might suffer (including but not limited to, any lost profits or revenue, loss of use or costs of recovering lost data) arising from or in any way connected with Your use of Company Systems.

14. NONPUBLIC PERSONAL INFORMATION

- 14.1 If We disclose to You, or to a Producer, non-public personal information, (“NPI”), as defined in the Gramm-Leach-Bliley Act (GLB”) or as defined by an applicable state privacy statute, rule or regulation (collectively referred to as the “State Privacy Laws”), We will only do so pursuant to an exception set forth in both GLB and whatever, if any, State Privacy Laws may be applicable. Notwithstanding any other language in the Agreement, Neither You nor a Producer shall use, disclose or disseminate NPI for any purpose other than that for which it was provided. You will maintain physical, electronic, and procedural safeguards that comply with state and federal regulations to guard all NPI. The handling of any NPI, and the purpose for which the information may be used, shall be in compliance with all applicable laws, regulations and rulings, including, but not limited to GLB and the Federal Fair Credit Reporting Act, as amended and re-enacted. The parties also agree that a violation of the covenants described in this paragraph may cause irreparable and substantial damage and that no adequate remedy may be available at law or in equity. As a result, such violation may be enjoined through injunctive proceedings, in addition to any other rights and remedies available at law or in equity.
- 14.2 The provisions of this Section 14 shall survive the termination of this Agreement.

15. MISCELLANEOUS

- 15.1 This Agreement constitutes the entire agreement of the parties and supersedes all previous or contemporaneous agreements, whether written or oral, between the Company and You with respect to Policies, and can be modified only as provided herein. This Agreement shall remain in full force and effect until suspended, terminated or expired as provided herein.
- 15.2 You shall not broadcast, publish, or distribute any advertisements or other matter not originated by Us referring to the Company, its affiliated insurers or Policies without Our prior written approval, which shall not be unreasonably withheld.
- 15.3 Nothing in this Agreement shall prevent You or Us from entering into similar agreements with third parties, so long as all obligations under this Agreement are met.
- 15.4 In the event any court action or proceeding is commenced by either party hereto to (i) determine rights, duties, or obligations hereunder, (ii) determine a breach hereof and obtain damages therefore, or (iii) otherwise enforce this Agreement, the prevailing party therein shall be entitled to collect from the non-prevailing party all out-of-pocket costs and expense thereof, including without limitation, all reasonable attorneys’ fees.
- 15.5 You agree to have and maintain Errors and Omission insurance coverage throughout the term of this Agreement and thereafter, so long as You are servicing Policies.
- 15.6 If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws in effect during the term hereof, such provision shall be fully

severable, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or its severance therefrom.

- 15.7 The failure of either party hereto to insist, in any one or more instances, on performance of any of the terms hereof shall not be construed as a waiver of any rights granted hereunder, but the obligations of the parties with respect thereto shall continue in full force and effect.
- 15.8 All notices, claims, or demands required or permitted to be given under this Agreement shall be in writing and shall be delivered by hand, or mailed (properly addressed and postage prepaid, either by certified or registered mail with return receipt required, or by first class mail), or by overnight courier, or by telecopy. All such notices shall be delivered at the most current address provided by the intended recipient. Except as provided to the contrary in the Agreement, notices delivered by hand delivery or telecopy shall be deemed delivered when received by the addressee. Notices mailed (by United States mail or overnight courier) shall be deemed delivered when mailed. Telecopy notices shall be deemed delivered upon confirmation of transmission to the telecopy number provided by the addressee.
- 15.9 You agree to comply with all laws and regulations affecting Your operation and its business interactions with Us.

Agent and the Company agree that the provisions of this Agreement shall be binding and effective as of this day of _____, 200__.

For the Agent By:

(Name)
(Title)
(Date)

For the Company By:

(Name)
(Title)
(Date)