

## AGENCY AGREEMENT

**THIS AGREEMENT** made and entered into by and between the undersigned Agent: (hereinafter referred to as Agent), and Elite Underwriters Inc., Florida corporation (hereinafter referred to as Elite), as hereinafter set forth:

### **RECITALS:**

1. Agent warrants that Agent holds a General Insurance Agents License issued by the State of Florida that is presently in good standing, and desires to place business through Elite for acceptance by one or more insurance carriers in compliance with the laws and regulations pertaining to the placement of such insurance.

2. Elite is willing to accept such business as Agent may from time to time desire *to* secure through Elite, but only upon the terms and conditions set forth herein. **NOW, THEREFORE**, in consideration of the mutual covenants and conditions herein contained, it is agreed and understood as follows:

1. Agent warrants, represents, and certifies that any business which Agent may submit to Elite for the insurance of persons or property situate in a State other than the State of Agents domicile will, if accepted by Elite, be effected in accordance with the Surplus Lines Law, Insurance Code, and rules and regulations of the domicile of the proposed insured.

2. Agent shall, upon the execution of this Agreement, provide Elite with proof of errors and omissions insurance coverage with limits not less than \$500,000.00 and a copy its primary agents insurance license issued by the State of Florida.

Agent shall maintain such errors and omissions coverage, as well as such insurance license, in full force and effect throughout the term of this Agreement or any renewal or extension therefore, and shall notify Elite in writing in the event that (a) proceedings are initiated **either** revoke or suspend any insurance license which may have been issued to Agent, its agents, servants or employees, or (b) its policy of errors and omissions coverage has been canceled or not renewed.

### 3. Indemnifications:

A. Elite shall indemnify, save, defend and hold harmless Agent, its employees, officers, directors and affiliates against any claims, suits, hearings, actions, damage claims, liabilities, fines, penalties, loss or expenses which Agent may become obligated to pay to or on **behalf** of any insured based on any act, error or omission of Elite in issuing policies of insurance at the request of 'Agent, except to the extent that Agent has caused, contributed to or compounded such error.

B. Elite shall indemnify, save, defend and hold harmless Agent, its employees, officers, directors and affiliates from any civil liability. Agent may become legally liable to pay based on a failure of Elite to comply with the requirements of the Fair Credit Reporting Act, Title 15, United States Code, Section 1681 in the procurement or use of consumer reports ordered by Agent or upon its authorization, except to the extent Agent has caused, contributed to, participated in, or permitted such failure by act or inaction.

C. Elite shall also indemnify, save, defend and *hold* harmless Agent, its employees, officers, directors and affiliates from such legal fees, court costs, and costs of investigation incurred by Agent in defending itself against any claim of a type described in of Sub-paragraphs A and B Of this Paragraph 3, but only to that portion of the total liability attributable to Elite.

D. Agent shall promptly notify Elite when it receives notice of the commencement of any action relating to liabilities of the type described in Sub-paragraphs A and B of this Paragraph 3, and Elite shall be entitled to participate in such action or, at its election, to assume the defense of such action. If Elite elects to assume the defense of any such action, it shall not be liable to Agent for any legal or other expense thereafter incurred by Agent in connection with such action. Failure of a Agent to notify Elite with prompt notice aforesaid, such non notification, Elite can at its discretion decide not to indemnify Agent, with respect to its obligations under sub paragraph A & B of Paragraph 3.

E. Agent shall indemnify save, defend and hold harmless Elite its employees, officers, directors and affiliates against any claims, suits, hearings, actions, damage claims, liabilities, fines, penalties, loss or expenses which Agent may become obligated to pay to or on behalf of **any** Insured based on any act, error or omission of Agent, including attorney's fees, court costs, and costs of investigation, arising out of any act, error, omission or other breach of this Agreement by Agent, unless the conduct give rise to such claim was performed at the specific direction of Elite.

F. Agent shall indemnify, save, defend and hold harmless Agent, its employees, officers, directors and affiliates against any claims, suits, administrative complaints, or other actions brought by any *insure* against Elite arising out of or *resulting* from Elite returning excess deposit premiums to Agent in conformance with this Agreement. Such indemnification shall include payment of damages of any kind, fines, or penalties, including attorney's fees, court costs, and cost of investigation incurred by Elite in its defense.

4. Elite agrees to pay Agent a commission upon such business **as** may be placed by Agent through Elite, at such rates as may from time to time be agreed upon between Agent and Elite.

5. Agent shall refund to Elite commissions paid on all business placed by Agent with Elite upon cancelled policies or policies upon which premiums may have been reduced, at the same rate at which such commissions were originally allowed Agent.

6. Agent shall make payment of premiums to Elite no later than 15 days after the end of the month in which coverage is billed. Any credit extended by Agent to the insured shall be at the Agents sole risk, and premiums upon policies of insurance placed by Agent through Elite shall be paid to Elite by Agent when due, whether or not such premiums have been collected by Agent. Uncollectible audits must be returned to Elite within 30 days of original invoice to Age

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which Agent shall become fully responsible for payment of the audit premium.

7. In those instances where the premium properly chargeable upon a policy of insurance placed by Agent through Elite cannot be determined at the time that coverage is bound, it shall be the responsibility of the Agent, upon any final determination of, or adjustment to, the amount of any such premium, to collect and pay over to Elite such premium as and when the same may become due.

8. This agreement does not permit Agent to bind insurance coverage on behalf of Elite or any company, carrier, or underwriter represented by Elite. Nor does this agreement permit Agent to issue Certificates of insurance on behalf of Elite or any company, carrier or underwriter represented by Elite.

9. Agent agrees that policies of insurance placed by Agent through Elite are not subject To flat cancellation and that short rate cancellations will be permitted in most cases. Inspection fees and policy fees are fully earned at the time that coverage is bound. It is further agreed that cancellations made at the request of those underwriters or companies who Elite may represent will be on a pro-rata basis. The minimum earned premium for all policies of insurance placed by Agent through Elite will be 25 % of the gross premium payable upon any such policies, unless otherwise indicated by Elite in writing at the time that coverage is bound.

10. The cancellation credit or endorsement credit upon any policy of insurance where the premium has been financed by the insured will be returned to the Finance Company that financed the premium, less unearned commission by the Agent. Agent agrees to promptly return this unearned commission to the proper premium finance company. Agent shall submit to Elite copy of the premium finance contract signed by the insured upon all policies of insurance placed by Agent through Elite upon which the premium has been financed, either in whole or in part.

11. Elite, at its option, may impose a delinquency charge in an amount equal to one and one-half percent (1 .5%) monthly upon any sums of money which Agent may from time to time owe Elite that are not paid as and when due.

12. In the event that the Agent is a corporation, partnership or other business entity, the person executing this Agreement on Agents behalf personally and unconditionally guarantees the full performance of each and every obligation of Agent to be performed under the terms and provisions of this Agreement and shall be deemed to be jointly and severally liable with Agent for performance in full of the terms and provisions hereof.

13. Elite acknowledges that the ownership of expirations and renewals as well as information provided to Elite by Agent, are proprietary to, and shall remain the property of, Agent following the expiration of this Agreement.

14. This Agreement shall become effective when accepted by Elite and supersedes all prior agreements between Agent and Elite, whether oral or written. It may be terminated by either party at any time upon the giving of written notice of such termination, but such termination shall not affect the rights of either party as of the date of such termination

15. The prevailing party in any action brought to construe or enforce this Agreement shall be entitled to recover its reasonable attorney's fees and costs of court. The exclusive venue for the bringing of any such action shall lie in Miami-Dade County, Florida.

16. This agreement shall be construed in accordance with and be governed by the Laws of The State of Florida.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Witnesses:

\_\_\_\_\_  
\_\_\_\_\_

Agent Name: \_\_\_\_\_

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Primary Agent License #: \_\_\_\_\_

Issuing State: \_\_\_\_\_

(Copy of Agents license must be attached)

Accepted and effective on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

**ELITE UNDERWRITERS, INC.**

By: \_\_\_\_\_

Name Title: \_\_\_\_\_

Payment of all invoices and statements should be remitted to:  
Elite Underwriters, Inc P O Box 144062, Coral Gables Florida 33114-4062