



BROKERING AGENCY AGREEMENT

THIS BROKERING AGENCY AGREEMENT (“Agreement”) is dated _____, by and between _____ (“Agency”), with its principle place of business located at _____ and the United Automobile Insurance Company (“COMPANY”) with its principle place of business located at 1313 NW 167th Street, Miami Gardens, FL 33169.

In consideration of the mutual covenants and agreements hereinafter set forth, the parties covenant and agree as follows:

1. DEFINITIONS. For purposes of this Agreement:

(a) “Agreement” means this Agreement, all Appointment Instruments, Underwriting Guidelines, guaranties, addenda, attachments and modifications hereto, all of which shall constitute a part of this Agreement.

(b) “Appointment Instruments” means any letter, schedule, bulletin, addendum or other document pursuant to which COMPANY appoints, or delegates authority to, Agency with respect to any line or class of insurance.

(c) “Commission” means the compensation payable to Agency hereunder. “Net Premiums Written” means gross premiums written less return premiums on cancellations or endorsements or both, net of policy fees.

(d) “Company” means the insurance company which has appointed Agency, and which writes a line or class of insurance with respect to which an appointment is made hereunder.

(e) “Policy” means any policy, binder, certificate, filing or proposal of insurance.

(f) “Underwriting Guidelines” means the manuals, rules, regulations, and specific instructions promulgated by Company with respect to the placement of writing of any line or class of insurance.

2. APPOINTMENT - Subject to the terms and conditions of this Agreement and any restrictions imposed by law, COMPANY hereby appoints Agency as a non-exclusive brokering agency for COMPANY. The lines and classes of insurance business, the Company, and the territories to which this appointment relates shall be as set forth in the Appointment Instruments. Any such appointment shall be limited to those territories in which Agency and COMPANY are licensed and otherwise qualified to do business.

3. AUTHORITY OF AGENCY
 - (a) Subject specifically to the limitations and other terms and conditions of this Agreement, COMPANY hereby grants to Agency the usual and customary insurance brokering agency authority to:
 - (i) Solicit insurance and accept applications, and
 - (ii) Collect and receive premiums, with respect to the lines and classes of insurance business, the Company and the territories stated in the Appointment Instruments. Agency shall have such other authority as specifically delegated to Agency under any Appointment Instruments, subject to any restrictions, terms and conditions stated therein. Agency shall have such duties as imposed under any Appointment Instrument or Underwriting Guidelines.
 - (iii) Solicit premium finance business and accept applications of behalf of Company's affiliate, the United Premium Finance Company ("United Premium").

 - (b) The authority of Agency shall extend no further than is provided under this Agreement. Without limiting the foregoing, except as otherwise authorized by COMPANY, Agency shall have the authority to bind COMPANY on insurance risks as provided herein, but Agency shall have NO authority to alter, discharge or extend any provision of any policy; to extend the time for payment of premiums; to extend any credit for payment of premiums or otherwise; to waive or extend any Policy obligation or conditions; to otherwise bind, commit, or incur any liability on behalf of COMPANY.

 - (c) Agency shall have NO authority to broker any business hereunder, or to share Commission, with another broker or agency not employed by or associated with Agency.

 - (d) COMPANY may provide Underwriting Guidelines to Agency for one or more lines or classes of insurance with respect to which COMPANY has authorized Agency. COMPANY may at any time change or alter any Underwriting Guidelines. Agency agrees to be bound by the prevailing published Underwriting Guidelines in force at the time that the insurance to which such Underwriting Guidelines relate is placed by Agency under this Agreement. If an Appointment Instrument or other term of this Agreement limits Agency's authority to specific coverage's or otherwise restricts Agency, receipt by Agency of any Underwriting Guidelines shall not operate to expand Agency's authority.

 - (e) All of the foregoing authority and duties shall be subject at all times to restrictions placed upon COMPANY and Agency by the laws or legally enforceable rules and regulations of the authorities of the state or states as to which Agency is authorized hereunder.

4. RELATIONSHIP - The relationship between Agency and COMPANY shall be that of independent contractor and a purchaser of services and not that of employee and employer.

5. COMMISSIONS

- (a) For all insurance premiums produced by Agency hereunder, COMPANY shall pay Agency as compensation hereunder a Commission on Net Premiums Written at the rate(s) of Commission set forth in the applicable Appointment Instrument or Commission bulletin or schedule announcing the Commission rate(s) for a particular line or class of insurance, which rate(s) is in effect at the time that the Policy giving rise to such commission becomes effective. COMPANY reserves the right to unilaterally change the applicable Commission rate(s) at any time during the term of this Agreement. This Commission is the only compensation payable to Agency under this Agreement
- (b) Agency's right to Commission is conditioned on Agency's full compliance with the terms, conditions, and restrictions of this Agreement.
- (c) COMPANY shall have the right to set off against all sums owed by COMPANY to Agency under this Agreement for any reason (including, but not limited to, Commission) any indebtedness, liability or obligation whatsoever of Agency to COMPANY including but not limited to, unearned commissions.
- (d) Agency shall be liable for the payment of any and all sums or amounts that may be due to the COMPANY or United Premium for any reason whatsoever.

6. PREMIUM BILLING AND COLLECTION

- (a) Except to the extent otherwise provided in an Appointment Instrument, on every Policy which Agency places with COMPANY hereunder; (i) Agency shall be responsible for collection of gross premium, provided that COMPANY shall be responsible for the notice of additional premium; (ii) Agency shall be liable to COMPANY for the full amount of such gross premium, less allowable Commission, whether or not such premium is collected by Agency; and (iii) all such gross premium, less allowable Commission, shall be due and payable by Agency and rendered to COMPANY when the application is required to be submitted and immediately following any notice or billing by COMPANY to Agency.
- (b) When COMPANY direct bills the Policyholder or insured on behalf of COMPANY, Agency shall cooperate with COMPANY in all collections.
- (c) All premiums received by Agency and due COMPANY shall be held by Agency as trustee for COMPANY until delivered to COMPANY. Agency agrees that all

such funds received by Agency shall be set aside in a separate trust account, if required by applicable law of any State.

- (d) Other obligations and rights of Agency with respect to the billing and collection of premium shall be as set forth in the applicable Appointment Instrument or Underwriting Guidelines.
7. CANCELLATIONS - Agency shall have no authority to send Notice of Cancellation. Nothing in this Agreement shall be construed as limiting or restricting the right of COMPANY to cancel any Policy placed under this Agreement.
 8. CLAIMS - Agency shall fully report to COMPANY all losses and claims immediately upon receiving knowledge thereof. Agency has no power or authority to settle or adjust claims or losses unless specifically authorized by COMPANY in writing.
 9. ERRORS AND OMISSION POLICY - Agency shall, at its own cost and expense purchase and maintain in force so long as any Policy placed hereunder remains in effect, an Errors and Omissions insurance policy in the amount of one million dollars and shall provide COMPANY with a Declaration Page and, upon request, a certified copy of said policy. COMPANY reserves the right to verify coverage at any time.
 10. FIDUCIARY RESPONSIBILITY OF AGENCY - Agency shall perform faithfully, in every way, its duties as Agency in compliance with all applicable state statutes and regulations, and the instructions, if any, of COMPANY. The keeping of an account on the books of COMPANY, or on the books of Agency in the form of a creditor and debtor account, is hereby declared to be a record of memorandum of business transacted and shall in no way be taken to change the trust relationship of Agency with COMPANY in connection with the receipt by Agency of premiums on behalf of COMPANY. Neither alteration of compensation rate, nor failure of COMPANY to enforce prompt remittance of the premiums collected by Agency, nor compromise or settlement of account rendered by COMPANY to Agency shall be interpreted to change said trust relationship.
 11. AGENCY EXPENSES - Agency shall have no power or authority to incur any expenses in the name of, or on behalf of COMPANY.
 12. USE OF NAME - Agency agrees that he will not use the trade name, logo, trademark or other intellectual property of COMPANY in any advertising without prior written approval by COMPANY.
 13. PROPERTY - COMPANY will furnish to Agency, at COMPANY'S expense, such policies, forms, stationery, advertising materials, registers and other supplies as COMPANY may deem necessary. All such materials and instruments shall remain the property of COMPANY and shall be returned by Agency to COMPANY upon demand by COMPANY.

14. RECORDS - Agency shall keep true and complete books, records and accounts of all its transactions with Policyholders and other parties relating to its insurance business, which Agency places under this Agreement. Such books, records and accounts shall be open at all reasonable times to the inspection and audit of a representative of COMPANY.
15. EXPIRATION - If Agency has, within thirty (30) days of the termination of this Agreement, accounted for and paid COMPANY all premium for which it may be liable, Agency's records and the use and control of expirations shall be vested in Agency; provided that if Agency, has not within such thirty (30) day period, accounted for and paid COMPANY all premiums for which it may be liable, then Agency will be liable for all costs incurred by COMPANY to collect outstanding balances together with interest thereon in accordance with Section 19 hereof (Enforcement of Obligations) and ownership of all Agency's records and use and control of all Policies placed under this Agreement shall be the sole and exclusive property of COMPANY. The provision of this Section 16 may be modified or superseded by the terms of an Appointment Instrument for a particular line or class of business, and such terms shall be binding on Agency for that line or class.
16. WARRANTY AND COMPLIANCE WITH LAW - Agency warrants and covenants that at all times during which this Agreement is in effect, [a] it is and shall be duly licensed as an insurance agency or insurance broker under all applicable insurance laws, rules and regulations of the territories assigned pursuant to the terms hereof, for the lines and classes of insurance business for which it is authorized hereunder, and [b] that its business is and shall be conducted in full compliance with such laws, rules and regulations.
17. INDEMNIFICATION - Agency shall indemnify and hold COMPANY harmless from any and all costs, claims or demand (including reasonable attorney's fees and expenses, whether incurred prior to the commencement of formal legal action, or at the trial, or appellate court level, resulting from any unauthorized acts of Agency, or any breach of any of the provisions in this Agreement by Agency. MGA and Company shall indemnify and hold Agency harmless from any and all costs, claims or demands (including reasonable attorney's fees and expenses, whether incurred prior to the commencement of formal legal action, or at the trial, or appellate court level) resulting from any acts or omissions of MGA or Company.
18. ENFORCEMENT OF OBLIGATIONS - If COMPANY refers this Agreement to any attorney for the enforcement or collection of the obligations of Agency, Agency agrees to pay to COMPANY all costs of such enforcement or collection including any of Company's reasonable attorney's fees prior to trial, at the trial court level and in connection with any appeal, which attorney's fees may be assessed and recovered in any proceeding brought hereunder. If Agency fails to pay funds due COMPANY as anywhere provided in this Agreement, including but not limited to premiums, Agency shall pay to COMPANY (in addition to all sums otherwise due) interest which shall accrue at 1.5% per month on such delinquency from the date as provided herein; provided that if such rate of interest is greater than the maximum allowable by law, this provision shall be deemed to be modified to provide for interest at the highest rate allowable by law.

19. ATTORNEY'S FEES - If Agency or COMPANY should bring a Court Action after an alleged breach of this Agreement by the Agency and a finding by a court of competent jurisdiction that the Agency had breached the Agreement, Agency agrees to pay reasonable attorney's fees and costs (including legal expenses for any appeals taken), and to have the same awarded as part of the judgment in the proceeding in which such legal expenses and attorney's fees were incurred.
20. FORBEARANCE - Failure or forbearance by COMPANY to exercise any of its rights and privileges hereunder shall not constitute the forfeiture or waiver by COMPANY of such rights and privileges.
21. TERMINATION
 - (a) This Agreement may be terminated by either party at any time by written notice to the other party; provided that Agency's authority under Section 3 of this Agreement shall terminate effective immediately and without notice should Agency's license be suspended, canceled or revoked.
 - (b) After the termination of this Agreement, unless directed to the contrary by COMPANY, Agency shall complete the collection and account to COMPANY for all premiums and other transactions unaccounted for at the time of termination or arising hereafter respecting insurance governed hereby. Further, Commissions or returned Commissions, as appropriate, shall be paid or allowed on additional premiums payable or on return premiums on adjustments or on cancellations made, after the time of termination of this Agreement, applying to any transaction for which an original Commission was allowed.
22. INVALIDATION - Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining portion, which remaining portion shall continue in full force and effect as if the Agreement had been executed with the invalid portion thereof eliminated. It is, therefore, declared the intention of the parties hereto that each of them will have executed the remaining portion of this Agreement without including therein any such part, parts or portion which may, for any reason, be hereafter declared void.
23. CONSTRUCTION OF AGREEMENT - Words of a gender used in this Agreement shall be held to include any other gender, the words in a singular number shall be held to include the plural, when the sentence so required. References to "Agency" shall include and be binding upon both the Agency and any Agents who produce business for the agency.
24. ENTIRE AGREEMENT - This Agreement constitutes the entire agreement of the parties hereto the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to any lines or classes of business specified in any Appointment Instrument. The parties agree that there are no representations or warranties other than those set forth herein.

25. ALTERATIONS - No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by COMPANY and Agency; provided that COMPANY may unilaterally issue Appointment Instruments and Underwriting Guidelines which shall be binding upon Agency in accordance with the terms hereof and thereof. Agency's placement of insurance with COMPANY shall constitute his assent and agreement to the terms and conditions of any such applicable Appointment Instrument and Underwriting Guidelines in effect at the time of such placement.
26. LAW APPLICABLE AND VENUE - This Agreement and performance hereunder shall be construed with and governed by the laws of the State of Florida, without regard to choice of law provisions. Any provision in this Agreement, which is contrary to applicable law, is hereby deemed to be amended to bring it into compliance with that law. Venue for all legal actions arising from this Agreement shall be in Dade County, Florida.
27. ASSIGNS - All terms and conditions of this Agreement shall inure to the benefit of and be binding upon, the parties hereto, their successors, heirs, administrator and assigns; provided, however, that Agency MAY NOT assign this Agreement without the prior written consent of COMPANY. Agency shall notify COMPANY in writing prior to any changes in ownership whatsoever of Agency. Until COMPANY has consented to such change in ownership, all authority of Agency pursuant to the terms hereof is suspended.
28. SUCCESSION TO AGENCY - If Agency has succeeded to and carries on any agency formerly owned or conducted by another, Agency shall pay return commission on return premiums on such business in the same manner and to the same extent as upon Agency's own business unless the parties have specifically otherwise agreed, and the written consent of COMPANY to such agreement has been endorsed hereon. If Agency sells said agency prior to notice and written consent of COMPANY, Agency shall be liable for unauthorized acts of the new owners.
29. EFFECTIVE DATE - This Agreement shall be effective as of the date first written above, unless a different date is indicated in an Appointment Instrument issued to Agency hereunder.
30. NOTICES - Any and all notices and any other communication provided for herein ("Notice") shall be given in writing by certified mail, hand delivery or express overnight courier. All notices sent by certified mail shall be deemed delivered on the second regular business day after the postmark. All notices sent by express overnight courier shall be deemed delivered on the day after pickup by the courier. All notices sent by hand delivery shall be deemed delivered on the day of hand delivery unless delivered after 5:00 p.m., whereupon, delivery shall be deemed effective on the next regular business day. All notices shall be addressed to Agency or COMPANY at their respective address as indicated in this Agreement, or to such other respective address as COMPANY or Agency shall designate to the other by notice in writing, provided that notice of a change of address or shall be effective only upon receipt.

IN WITNESS WHEREOF, the parties have executed this Agreement or caused this Agreement to be duly executed by their representatives or officers on the dates as indicated.

WITNESS: UNITED AUTOMOBILE INSURANCE CO.

_____ By:_____

Its:_____

EXECUTION BY AGENCY

Note: If Agency is doing business as:

AN INDIVIDUAL, this Agreement if being signed by the individual in his own name, not in the name of his business;

A PARTNERSHIP, this Agreement must be executed by Partnership and by each Partner in his individual capacity (the absence of the signatures of any Partners shall not affect the enforceability or validity of this Agreement);

A CORPORATION, the Agreement must be executed by an officer of the Corporation and the attached personal guaranty must be executed by the Corporation's principal shareholders (the absence of such guaranty shall not affect the enforceability or validity of this Agreement).

WITNESS: AGENCY IN ITS INDIVIDUAL OR REPRESENTATIVE CAPACITY

_____ (Signature of individual or representative)

NAME _____
(Print or Type Name)

TITLE _____
(If signed in representative capacity)

DATE _____

WITNESSES: BY EACH PARTNER OF AGENCY

_____	_____
	(Signature of Partner)
_____	_____
	(Print or Type Name)
_____	_____
	(Signature of Partner)
_____	_____
	(Print or Type Name)

PERSONAL GUARANTY OF PRINCIPAL SHAREHOLDERS OF CORPORATION

This Personal Guaranty must be signed by the principal shareholders of an Agency, which is a corporation.

In consideration of COMPANY appointing Agency pursuant to the Agreement of which this Guaranty is made a part, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. The undersigned do hereby unconditionally at all times individually, jointly and severally guarantee the payment to COMPANY of all sums due MGA under the Agreement and agree to indemnify and hold COMPANY harmless of and from any wrongful acts or conduct of Agency, including all costs, expenses and attorney's fees, whether incurred with or without litigation in a court of original jurisdiction or on appeal, as the case may be, hereafter incurred by COMPANY in connection with any default or material breach of Agency.
2. This Guaranty shall at all times include the full obligation of Agency to transmit to COMPANY all funds coming into Agency's possession and as required under the Agreement to be transmitted to COMPANY. This is a contract of continuing guarantee and the obligations of the undersigned include the full liability of Agency arising under this Agreement.
3. The liability of undersigned for any unpaid or un-transmitted sums shall not be affected by an indulgence, compromise, settlement, extension of credit, or variation of terms effected by or with Agency or any other person at interest, nor by payment previously made by Agency or the undersigned, nor shall it be necessary for COMPANY to procure the consent of the undersigned or give any notice in reference thereto.
4. The undersigned hereby do expressly waive and dispose with notice of acceptance of this Guaranty, notices of non-payment and non-performance, notices of amount of obligation outstanding at any time, payments, demand and prosecutions of collection, foreclosure and possessory remedies.
5. The execution of this Guaranty by the undersigned is a condition precedent to the Agreement. The obligation of all parties signing this Guaranty shall be joint and several. The benefit and obligations hereof shall extend to and bind the heirs, personal representatives, successor and assigns of the respective parties hereto. This paragraph and the performance thereunder shall be construed and determined according to the laws of the State of Florida.
6. The within Guaranty is primary, not secondary, and it is absolute, not contingent.
7. The undersigned will comply with all statutes regulating insurance in the state where Agency is domiciled, and any regulations promulgated pursuant thereto, and will continue to comply with the same, so long as this Guaranty shall remain in effect.
8. The within Guaranty shall extend to and guarantee the payment of any sums due to the Company's affiliate, United Premium Finance Company.

Witnesses:

GUARANTORS:

(Signature)

(Print Name)

(Signature)

(Print Name)