

INSURANCE BROKER AGREEMENT

This Agreement is entered into this ____ day of _____, _____ by and between Epoch Underwriting Management Agency Corp. dba Quadrant Insurance Managerssm, an Ohio corporation with its offices and principal place of business located at 501 W. Schrock Rd., Suite 301, Westerville, OH 43081, hereinafter referred to as 'Quadrant', and _____ with its office and principal place of business at _____ hereinafter referred to as 'Producer'.

WHEREAS, Producer desires to procure for clients, from time to time, certain coverages through the facilities of Quadrant; and

WHEREAS, Quadrant desires to make its facilities available to Producer in cases where the terms are mutually agreeable,

NOW, THEREFORE, Quadrant and Producer agree as follows:

1. Licensing of Producer

Producer hereby warrants to Quadrant that Producer is qualified to do business in every state where Producer's activities require it to be so qualified, and that Producer is licensed as an agent or broker in accordance with the laws, rules and regulations of the state(s) in which Producer shall transact business.

At the execution of this Agreement or at anytime thereafter, Producer shall provide to Quadrant such proof, as Quadrant may reasonably request, of Producer's licensure as an insurance broker, or as an insurance agent if such license authorizes insurance brokerage business, for each and every state in which Producer transacts such business. Such requested evidence may include but shall not be limited to a copy of such license or certification of same from the issuing state, name, address, Internal Revenue Service Identification Number, Social Security Number, domiciliary state and a listing of all other states in which Producer transacts business.

2. Commission

Quadrant shall allow Producer, as commission, a percentage rate of the premium written under this Agreement, at a rate of commission agreed upon in writing by Quadrant and Producer from time to time. Any agreed upon change in such commission shall not be deemed to be a modification of this Agreement and shall not require any amendment of this Agreement in writing or in any other form.

Producer will pay Quadrant a return commission at the rate originally allowed to Producer for any return premium, including return premiums on cancellations ordered or made by the Insurer or Finance Company. Such return commission shall be paid to Quadrant by the due date indicated on the billing document.

Should Quadrant receive a Broker or Agent of Record letter on an account, the new Producer must complete the process and be acceptable to Quadrant as a Select Broker. If the new Producer is acceptable, commission will be paid to the new Producer on renewal. All commissions for the current policy will be paid to the original Producer. If the new Producer is unacceptable as a Select Agent, Quadrant will not honor the Broker or Agent of Record letter.

3. Premium and Accounts

Producer shall accept Quadrant's billings, which may take the form of binders, invoices, statements or similar communications. The net balance due as shown on such billings shall be settled by the billing due date. Producer hereby covenants to use reasonable efforts, undertaken diligently and in good faith, to collect and make the payment of all premiums including deposit, earned, audit, extension and adjustable premiums due Quadrant on insurance bound or written hereunder. Producer's payment to Quadrant is not contingent upon issuance of a policy. Any credit extended to the insured or others shall be at the sole risk of Producer. Producer accepts full and entire responsibility for the collection and payment of all premiums (including minimum earned premiums), countersignature fees and resulting charges required by any state, or any other applicable fees and taxes. The omission of any item(s) from a monthly statement or separate invoice shall not (1) affect the Producer's responsibility to account for and pay all amounts due, (2) prejudice the rights of Quadrant to collect all amounts due from Producer and (3) extend the time within which Producer must make payment.

Notwithstanding the provision set forth above, in the event that a premium shall be due under an applicable policy, including a policy audit, the Producer will make all reasonable efforts to collect amounts due. Producer will be relieved of responsibility for premium, so adjusted or determined, if Producer notifies Quadrant in writing within 20 days after said invoice date, stating that Producer has used reasonable efforts, undertaken diligently and in good faith, and is unable to collect such premiums. In many cases, given adequate notice *the Insurer will release Quadrant of liability for such premium and issue a direct Notice of Cancellation for non-payment. The Producer agrees to follow Quadrant's fortunes as respects premiums owed and due to the Insurer.* A copy of the Producer's invoice to the insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure to give Quadrant timely notice shall constitute Producer's acceptance of responsibility to pay such premiums. If commission applies to these adjustments, none will be allowed to Producer on premiums collected directly by Quadrant or Insurer under this provision.

If a return premium becomes due under any contract of insurance and Quadrant has been issued a credit, or payment has been rendered, for such premium by Quadrant's insurer, Quadrant will pay to Producer such return premium less the unearned portion of any commission previously retained by the Producer.

Producer understands and agrees that the business of Quadrant is dependent on maintaining a good credit relationship with its various underwriters and that Producer's failure to pay upon demand of Quadrant, or Quadrant's carrier, poses great harm and may result in damages to the business of Quadrant. In the event Producer fails to remit premiums as agreed herein, Quadrant shall be entitled to any other remedy available to Quadrant hereunder or otherwise.

4. Financed Premiums

On all policies for which premiums have been financed, Quadrant will remit any return premium, less unearned commission, directly to the Finance Company unless otherwise specified. The ultimate liability of Quadrant for payment to a Finance Company, Producer or Insured shall never exceed the amount of return premium less unearned commission developed. Producer agrees to hold Quadrant harmless from any responsibility for payment to Finance Company and further agrees that financing arrangements do not diminish the responsibility for the timely payment of premium by the Producer to Quadrant.

5. Fiduciary Duties

Producer hereby agrees that any monies that Producer collects, which are due or will fall due to Quadrant, shall be held by Producer in a fiduciary account in accordance with the applicable laws, rules and regulations of the state in which the fiduciary account is located. Provided Producer is in compliance with all terms of this Agreement, Producer shall be entitled to any interest earned on said funds while so held by the Producer.

6. Cancellation of Insurance

Notwithstanding anything to the contrary in this Agreement, Quadrant shall have the right, at its sole discretion, 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. Earned premium shall be computed and charged on every contract cancelled after inception date in accordance with the cancellation provisions of the contract and/or rules of the insurer. If Producer does not make timely payment of any sums due Quadrant, then Quadrant may, without limitation of other remedies, cancel the policy for non-payment of premium. Producer agrees, if coverage is bound by Quadrant, a charge shall be made in accordance with the policy terms.

Quadrant will not recognize flat cancellation unless: (1) written evidence of coverage prior to the inception date of the contract for insurance is provided; and (2) *such credit has been granted Quadrant by its insurer.* Earned premium shall be computed and charged on every binder, policy or contract cancelled after the inception date in accordance with the cancellation provision of the applicable contract and/or rules of the Insurer. If Producer does not make timely payment of any sums due Quadrant, then Quadrant may, without limitation of other remedies, initiate with Insurer to cancel the binder, policy or contract for non-payment. If coverage is bound by Quadrant, all additional fees charged by Quadrant for the entire policy term shall be fully earned upon binding. Producer hereby acknowledges that Quadrant, or its Insurers, is under no duty to reinstate a policy if the policy cancelled. Producer shall not accept from Insured the late payment of premiums with prior knowledge, whether actual or constructive, that the policy for which the late premiums have been collected is cancelled.

7. Premium Tax

In the event a portion of the premium shall be returned by reason of an adjustment or cancellation of the policy for whatever reason, no amount of premium tax shall be returnable until recovered by Quadrant and the amount to be returned shall in no event exceed the amount so recovered.

8. Claims

Producer shall notify Quadrant promptly of any claims, suits, and notices of loss (or circumstances which might reasonably be expected to result in a claim, suit or notice of loss) and shall cooperate fully with Quadrant to facilitate the investigation and adjustment of any claim when and as requested by Quadrant. All claims shall be reported by written notice to the address as per the declarations page of the insurance policy.

9. Advertising

Producer shall not insert any advertisement referring to Quadrant or its carriers or issue or cause to have issued any letter, circular, pamphlet, or other publication or statement so referring, without the express written consent of Quadrant. In the event Quadrant suffers a loss or expense arising out of such unauthorized advertisement or publications of Producer, Producer shall be liable for all resulting damages and costs, including attorneys' fees.

10. No Rebrokering

Producer shall not act as an underwriter or rebroker (double broker) for any applicants or policies underwritten pursuant to this Agreement, without disclosure in writing to Quadrant and Quadrant's prior approval of any such arrangements.

11. Errors & Omissions Coverage

Producer hereby warrants that Errors and Omissions Insurance Coverage is in effect as follows:

Carrier:	_____
Policy No.:	_____
Limit of Liability:	_____
Expiration Date:	_____

Producer further warrants that the premium for said policy has been fully paid and that Producer shall keep such coverage in full force and effect at all times during the continuance of this Agreement. Evidence of coverage will be forwarded along with this sign/dated Agreement, as well as annually thereafter.

12. No Responsibility or Guarantee

Producer understands that Quadrant assumes no responsibility toward any policy or subproducer with regard to the adequacy, amount or form of coverage. Quadrant is not an insurer and does not guarantee the financial condition of the Insurers with whom it may place risks. Quadrant shall have no liability for non-payment of claims due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by Quadrant. Producer agrees to hold Quadrant harmless from any claim asserted against Quadrant in following the instructions of Producer.

13. Cancellation of Agreement

This Agreement shall apply to current policies already placed and in force at the date hereof and all future policies which may be placed by Quadrant for Producer. This Agreement may be cancelled at any time by written notice of either party to the other, but such cancellation shall not alter in any way the continued application of this Agreement to insurance policies in effect prior to the date of such cancellation. Producer shall retain full ownership of all expirations unless premiums, fees, taxes or unearned commissions are not settled by the applicable billing due date or within 30 days following cancellation of this Agreement.

14. Succession

This Agreement supersedes and replaces in its entirety any previous Broker/Agency Agreement between Producer and Quadrant.

15. Governing Law

This Agreement shall be interpreted under, and governed by, the laws of the State of Ohio. In the event that any claim, complaint or dispute should arise from or related to this Agreement, Quadrant and Producer hereby agree that the courts of the State of Ohio shall have jurisdiction, and venue shall be in Franklin County, Ohio.

16. Authority

Producer is an independent contractor and is not the agent of Quadrant or any of its principals or insurance companies. Quadrant shall be the sole judge of whether to accept, reject, or submit to Insurer for acceptance any applications of insurance for risks submitted by Producer and shall incur no liability for failure to place any such risk. Producer shall have no authority to bind any Insurer for Quadrant or to make representations not strictly in accordance with the provisions of the policies and contracts placed under the terms of this Agreement. Producer shall not make, alter or vary any terms of coverage, or modify terms of payment of any premium or deposit, or incur any liability for Quadrant.

17. Waiver or Default

Failure of Quadrant to enforce any provision of this Agreement or to terminate it because of a breach hereof shall not be deemed to be a waiver of such provisions or of any breach committed by the Producer.

18. Indemnification

Producer shall indemnify and hold Quadrant harmless against any claims, liabilities or costs which Quadrant may become obligated to pay as a result of loss to insureds caused directly by error of Producer in the processing of any business placed and/or attempted to be placed by Producer with Quadrant.

Quadrant shall hold Producer harmless from any claims, liabilities or costs resulting from Quadrant's error or omission in services performed under this Agreement.

19. Effective Date of This Agreement

This Agreement shall not become effective until it is accepted and signed by an authorized officer of Quadrant.

PRODUCER:

SPECIMEN COPY - DO NOT COMPLETE

By: SPECIMEN COPY - DO NOT COMPLETE
(Must be Owner, Authorized Partner, or Authorized Officer)

Date: _____

Title: _____

QUADRANT INSURANCE MANAGERSsm
EPOCH UNDERWRITING MANAGEMENT AGENCY CORP

By: _____

Date: _____

Specimen

SCHEDULE 1

PRODUCTS

This agreement applies to the insurance products and programs checked below offered by Quadrant during the period of time that this Agreement is in effect. Please indicate estimated premium and number of accounts you expect to submit to Quadrant. Producer agrees to the budget listed below as a minimum qualifying performance standard to maintain access to Quadrant's products.

Quadrant Products	# of Accounts (annual)	Estimated Total Annual Premium
Accountants E&O		
Architects & Engineers E&O		
Captives & A.R.T. (Alternative Risk Transfer)		
Contractors/Environmental/Pollution		
Crime and Kidnap & Ransom		
Difficult to Place P&C Risks (GL, OL&T, O&CP, and Large Casualty & Property Risks)		
Energy Risks		
Florida Nursing Home Liability—Professional & General Liability		
Healthcare—General & Professional Liability		
Inland Marine, Marine, and Builders Risk		
Insurance Agents & Brokers E&O (including MGAs, Program Administrators, Reinsurance Intermediaries, etc.)		
Insurance Agents & Brokers Management Liability—D&O, EPL, and Fiduciary Liability		
Insurance Company Management & Professional Liability (ACPRO)		
Insurance Company Insolvency Gap		
Lawyers Non-admitted & Excess Professional Liability		
Management Liability—D&O, EPL and Fiduciary Liability		
Miscellaneous Professional Liability		
Network Security, Cyber Liability, and Privacy Liability		
Product Recall		
Property		
PEOs, ASOs, Recruitment & Staffing Agencies		
Sexual Misconduct Liability—Standalone Product		
Technology E&O		
Third Party Discrimination & Harassment—Standalone Product		
Wind Energy Program—General Liability		
Other:		

Questions: _____

Annual review will be performed. Date TBD.