

BROKERAGE AGREEMENT

THIS AGREEMENT made and entered into this _____ day of _____, 2008, by and between ALLIED INSURANCE BROKERS, INC., a Pennsylvania Corporation with its office and principal place of business located at Four Allegheny Center, 4th Floor, Pittsburgh, PA (hereinafter "Allied") and _____, a _____ Corporation with an office and principal place of business located at _____, (hereinafter "Retailer").

WHEREAS, Retailer warrants that Retailer holds an insurance agent/broker's license issued by the State of _____, being License No.: _____; and

WHEREAS, Retailer further certifies that any business which Retailer shall submit to Allied for placement involving persons or property situated in a state other than that of Retailer's domicile, will, if accepted, be effected only in accordance with the laws, rules and regulations governing such placement and not otherwise.

Witnesseth, in consideration for Allied placing risks from time to time hereafter for Retailer with an insurer, or insurers, and for the mutual promises and covenants hereinafter set out, it is agreed as follows:

- 1) Allied promises that it will exert its best effort to place with an insurer, or insurers, such risks as it may be called upon by Retailer to place. The use and control of expirations are and shall remain the property of Retailer.
- 2) Retailer shall be and remain liable to Allied for the payment of all premium, fees, and applicable state taxes, which premium, fees, and taxes shall become due on the date the insurance is effected, and payable not later than twenty-five (25) days after the effective date of coverage. However, the specific payment requirements of a particular insurance contract or insurance carrier/broker supersede this provision.
- 3) With respect to any additional premium endorsements, it is agreed that any such endorsements shall be paid to Allied within 25 days of billing to Retailer. However, the specific payment requirements of a particular insurance contract or insurance carrier/broker supersede this provision.
- 4) With respect to any additional premium audits, it is agreed that any such audit premiums shall be paid to Allied within 25 days of billing to Retailer. However, the specific payment requirements of a particular insurance contract or insurance carrier/broker supersede this provision. The Retailer and Allied agree that the Retailer can be relieved of payment for additional premiums due to uncollectible audits if the Retailer advises Allied within 10 days from the billing by the Company that: 1) such audit additional premium is deemed uncollectible; 2) state the reason why the audit additional premium is uncollectible; 3) a diligent effort was made to collect the audit additional premium. The Retailer agrees to forfeit any commission earned on an uncollectible audit additional premium once it is deemed as uncollectible.
- 5) No insurance contract may be returned to Allied by Retailer for flat cancellation unless it is returned prior to the inception, or effective date, of contract. Earned premium shall be computed and charged on every contract canceled after the inception in accordance with the cancellation provisions of such contract.

6) Retailer is not the agency of, and has no authority to bind Allied or any of its principals, nor to extend coverage on any policy. The Retailer will be granted authority to issue Certificates of Insurance ONLY after a complete review and approval by Allied of all Certificates of Insurance prior to releasing to the insured and/or certificate holder. All Certificates of Insurance must contain the approved certificate wording as provided by Allied, all coverage must be listed exactly as provided by the insurance contract, and under no circumstances can coverage be added, amended, and/or deleted without the expressed written consent of Allied prior to issuance of the Certificate of Insurance. Once approved, the Retailer agrees to issue and to forward copies of all Certificates of Insurance issued by the Retailer for accounts written with Allied. Allied and its insurance brokers and/or carriers hold the right to reject any Certificate of Insurance issued by the Retailer, and the Retailer agrees to revise any incorrect Certificate of Insurance within three (3) days of notification by Allied.

7) Retailer agrees that it shall be responsible for the submission of any affidavits and payment of surplus lines taxes which may be required under applicable state laws. Any taxes and/or appropriate policy fees applicable to any contract of insurance placed with an insurer by Allied which are not recoverable are fully earned from the inception date of insurance, and in case a portion of the premium shall be returned by reason of cancellation either by or on behalf of the Insured or the Insurer, no amount shall be returnable in respect of such taxes and/or policy fees until and unless such taxes and/or policy fees have been, in fact, recovered by Allied and the amount to be returned shall in no event exceed the amount so recovered.

8) Retailer agrees that any extension of credit to insureds is solely at its own risk, and it shall pay Allied all amounts due Allied whether or not these funds have been collected from those who may owe it.

9) The Retailer agrees for him or herself, or if a corporation, by it and its principals individually, that it will hold Allied and Allied's agents, servants, principals and employees free and harmless, and indemnify them for expenses arising from each and every claim of alleged errors and omissions caused by, or related to, the acts of the Retailer, its agents, servants, principals and employees, including legal fees, costs and disbursements that may reasonably be incurred by Allied in the defense of such claim or claims to the full extent thereof, with interest thereon, until paid.

10) Retailer shall not advertise in any way the name of Allied, any Insurer, or Underwriter represented by Allied without the prior written consent of Allied.

11) Retailer agrees that it will maintain Errors and Omissions Insurance coverage with coverage limits of at least \$1,000,000 per occurrence/\$2,000,000 aggregate. Retailer agrees to provide Allied with proof of this insurance at the request of Allied and further agrees to promptly notify Allied if coverage is ever discontinued or canceled.

12) This Agreement shall be interpreted in accordance with the laws of the State of Pennsylvania and enforced only in the Courts of Common Pleas of Allegheny County, Pennsylvania.

13) This Agreement may not be changed or modified except in writing and signed by the parties hereto.

14) This Agreement may be terminated at any time by either party, upon thirty (30) days written notice to the other party, sent by Registered or Certified Mail, Return Receipt Requested. Such termination, however, shall in no event affect the respective rights or liabilities of either party accruing up to the date of termination.

15) 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 Allied for Retailer.

16) In the event that either party fails to fulfill responsibilities agreed to in this contract, the other party will have the right to terminate this agreement immediately.

WITNESS:

Date:_____

WITNESS:

Date:_____

ALLIED:

By: Martin E. O'Brien, President

RETAILER:

By:_____

Name	Title
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