

FAIA WYO – FLOOD AGENCY AGREEMENT

The Old Dominion Insurance Company of Jacksonville, Florida, hereinafter called the “Company” and _____
_____ of _____

hereinafter called the “Agent”, mutually understand and agree that the Company: (a) writes flood insurance policies only because it, or its parent company, is a signatory to the WYO Financial Assistance/Subsidy Arrangement issued by the Federal Insurance Administration of the Federal Emergency Management Agency, (b) writes flood insurance policies only through a WYO service vendor (“Vendor”) with whom the Company has a Write -Your – Own Servicing Agreement under which the Vendor is the sole provider of all necessary WYO services to the Agent, which includes policy administration, claims administration and statistical reporting and (c) is entering into this FAIA WYO-Flood Agency Agreement (“Agreement”) with the Agent only because the Company has entered into an agreement with FAIA Member Services, Inc. (“FMS”) to establish a “write your own” flood insurance Program for the members of the Florida Association of Insurance Agents (“FAIA”) and the Agent is an FAIA member. Therefore, the Agent and the Company agree to the following:

I. AUTHORITY OF AGENT

The Agent is an independent contractor, not an employee of the Company and, subject to requirements imposed by law and the terms of this Agreement, is authorized to:

- a. Solicit the kinds of insurance for which a commission is specified in Schedule F-WYO attached hereto and made a part hereof.
- b. Apply for flood insurance policies and customary endorsements effecting policy changes, all in accordance with and subject to the limitations set forth in the Vendor’s manuals, Vendor’s website, or published instructions now or hereinafter furnished to the Agent
- c. Provide all usual and customary services of an insurance agent on all insurance contracts placed by the Agent with the Company.
- d. Collect and receipt for premiums subject to the provisions herein.
- e. Exercise exclusive and independent control of his/her time and the conduct of his/her agency.

II. DUTIES OF AGENT

The Agent agrees to:

- a. Adhere to the published instructions, rules and regulations of the Company and Vendor and any special written or printed instructions that may be communicated to the Agent.
- b. Forward to the Company copies of all applications or otherwise notify the Vendor of all liability accepted, per the published instructions, rules and regulations of the Company and Vendor
- c. Promptly report all claims to the Vendor, per the published instructions, rules and regulations of the Vendor
- d. Account for and pay over to the Vendor premiums in accordance with the accounting procedures as hereinafter set forth.
- e. Keep and retain, throughout the term of this Agreement and for two years after its termination, a complete record and account of all transactions relating to the business transacted by the Agent which shall be accessible to any duly authorized representative of the Company or Vendor at any reasonable time while this Agreement is in force, or within two years after the termination hereof.

III. PREMIUM ACCOUNTING

All premiums received by the Agent on business placed with the Company shall be held by the Agent in trust for the Company until remitted to the Vendor. The Agent shall not mingle such premiums with the Agent’s own funds or funds held by the Agent in any other capacity, without the express written consent of the Company. Nothing herein contained shall be deemed to require the Agent to maintain a separate bank account for the premiums of the Company, as long as the premiums of the Company held by the Agent are ascertainable from the books, accounts and records of the Agent.

For all flood insurance business placed by the Agent with the Company the Agent agrees to adhere to the published instructions, rules and regulations of the Vendor and any special written or printed instructions that may be communicated to the Agent by the Vendor or the Company.

IV. COMMISSIONS

- a. The Agent understands and agrees that the Company will pay to FAIA Member Services, Inc., a Florida corporation, as the Agent’s full compensation for all services rendered under this Agreement, the percentages of commissions as specified in Schedule F-WYO.
- b. The Agent agrees to pay the Company a return commission on all return premiums at the same rates at which the Agent was originally compensated.

V. DESIGNATION OF AGENT BY POLICYHOLDER

- a. If a conflict exists as to which producer is authorized to represent an existing or prospective policyholder, the policyholder’s written statement designating his agent or broker shall be binding upon the Agent and the Company.
- b. Such designation on an unexpired policy will be effective as of the date specified by the Vendor after receipt by the Vendor of a reasonable written agreement between the producers involved determining who shall be:
 1. Responsible for collection of premiums.
 2. Entitled to receive commissions.
 3. Responsible for the refund of return commissions.

VI. AGENCY SALE, TRANSFER OR MERGER

The agent agrees to give 60 days notice to the Company of any sale, merger or transfer of his business, or its consolidation with a successor firm, in order that the Company may, at its election and with the consent of the parties in interest, enter into a new Agency Agreement with the successor.

VII. COMPANY ACQUISITION

If the Company, or any affiliate, gains management control through acquisition or other means of any insurance company with which the Agent does business, the Company or its affiliate shall not reduce or eliminate the underwriting capacity of either company on business produced by the Agent, subject to:

- a. Rating plans, policy forms and underwriting rules of the Company, and
- b. Continuation by others of reinsurance arrangements with such companies.

VIII. CHANGES IN AGENCY AGREEMENT

- a. This Agreement may be revised at any time by mutual agreement of the Agent and the Company.
- b. This Agreement may be revised by the Company only after it gives the Agent at least 60 days advance notice, which:

1. Sets forth the proposed revision and its effective date, and
2. Offers to meet with the Agent at least 30 days before such effective date in order to discuss the purpose and reasons for such revision.

The Company agrees to make an authorized representative available at any reasonable time and place for such requested conference. Upon compliance by the Company with the foregoing procedures, the requested revision shall then become effective on the date specified in the notice without further action being required of either party.

3. The Company reserves the right to change the rate of commission specified in Schedule F-WYO upon 90 days advance notice to the Agent.
- c. The Agent and the Company each agree that in the interest of proper recordkeeping, but not as a condition, to confirm in writing and sign any revisions of this Agreement.

IX. POLICY CANCELLATION OR NONRENEWAL

Subject to requirements imposed by law and compliance with the applicable provisions contained in this Agreement and within the policy:

- a. At the Agent's request, the Company shall:
 1. Cancel any policy.
 2. Decline to renew any policy and, upon the Agent's request, give advance written notice of nonrenewal to the policyholder.
- b. Any authority granted the Agent pursuant to this Agreement, shall not be construed as a waiver by the Company or Vendor of its rights to decline an application for insurance, cancel a policy, or decline to renew a policy.

X. TERMINATION OR SUSPENSION

- a. The Company and the Vendor reserve the right to withdraw authority from the Agent to write any particular kind or type flood insurance and to decline or accept a risk or class without previous notice.
- b. This agreement shall terminate:
 1. Automatically if any public authority cancels or declines to renew the Agent's license or certificate of authority.
 2. Automatically on the effective date of the sale, transfer or merger of the Agent's business, or its consolidation with a successor firm.

3. Immediately upon either party giving written notice in the event of delinquent payment of accounts, breach of binding authority, abandonment, fraud, insolvency or gross and willful misconduct on the part of the Agent
4. Immediately upon notice to the Company that the Agent is no longer an FAIA member.
5. Immediately upon termination with the Company's agreement with FMS.
6. Upon either party giving at least 90 days advance notice to the other.

d. In the event of the suspension of the Agent's authority or the termination of this Agreement, and provided the Agent has and continues to promptly and properly account for and pay over to the Vendor premiums as provided under the terms of this Agreement; the Agent's records, use and control of expirations, shall remain the property of the Agent and be left in his possession. Otherwise, the records, use and control of expirations shall be vested in the Company.

e. During the term of this Agreement and after its expiration, as long as the records and control of expirations are vested in the Agent, the Company or Vendor shall not:

1. Refer or communicate the names of policyholders and expiration dates to any other Agent, broker or person for purposes of solicitation.
2. Use, or permit the use of, its records of business placed by the Agent to solicit individual policyholders for the sale of other lines of insurance, products or services, without the Agent's authorization. When the Agent grants such authorization, he shall be allowed the applicable commission or fee on such sales resulting from the use of such records.

f. After termination of this Agreement:

1. The obligations of the Company, Vendor and the Agent to account for and pay premiums, commissions, return premiums and return commissions on policies existing at the time of the termination of this Agreement, and any endorsements, audits and installment billings on such policies shall be determined and governed by Sections "III Premium Accounting", "IV Commissions", and VIII Changes in Agency Agreement" herein except that if this Agreement is terminated because the Agent is delinquent in remitting premiums to the Vendor, or subsequent to the termination of this Agreement, the Agent is delinquent in remitting premiums to the Vendor, all unpaid premium charges for policies shall immediately become due and payable.
2. The Agent shall have authority to service unexpired policies but the Agent shall have no authority to accept new business, bind coverage, renew policies or issue endorsements. All requests for endorsements shall be submitted by the Agent to the Vendor's underwriting office for acceptance.
3. The Vendor shall provide the ordinary Vendor underwriting and claims services for the unexpired policies.

XI. INDEMNIFICATION

- a. The Company will hold the Agent harmless against liability resulting from loss to policyholders based on error or omission of the Company and/or Vendor in processing or handling of policies if the Agent has not contributed to or compounded such error or omission. Conversely, the Agent will hold the Company and/or Vendor harmless against liability either may incur to or on behalf of its policyholder, actual or alleged, based on error or omission

of the Agent if the Company or Vendor has not contributed to or compounded such error or omission.

- b. The Company agrees to hold the Agent harmless against civil liability for damages and expenses, including the costs of defense, which he may be obligated to pay as a direct result of the failure of the Company or Vendor to comply with the requirements of the Fair Credit Reporting Act, except in the case of willful or intentional act or omission on the part of the Agent.
- c. The Agent shall hold the Company and/or Vendor harmless and shall reimburse the Company and/or Vendor for any loss, expense of damage sustained by reason of any violation of the provisions of this Agreement or of the published instructions furnished the Agent by the Company or Vendor
- d. Each party shall promptly notify the other of any claim or the commencement of any action which could result in a claim for indemnification under this Agreement.

authorized, and be freely exhibited to them for the purpose of examination, and at the termination of said agency, from any cause whatever, shall be upon demand surrendered to the Company or Vendor or the authorized representative of either.

- c. The Agent shall furnish to the Company if demanded, and as often as required, a good and sufficient indemnity bond.
- d. The Agent shall not appoint any sub-agent, or submit business from other producers, without the knowledge of the Company. The Agent assumes full responsibility for all acts of commission or omission of any of his sub-agents insofar as such acts of such persons affects the Company or Vendor.
- e. In the event that any provision of this Agreement conflicts with any statute of the state in which this Agreement is to be performed and is more restrictive than the provisions of such statute, the provisions of the statute shall prevail and define the rights, duties and obligations of the Company, Vendor and the Agent.
- f. This Agreement shall apply to, and be binding upon, the heirs, next of kin, distributees, legal representatives, successors and assigns of the parties hereto.
- g. This Agreement supersedes all previous WYO-FLOOD Agency Agreements, whether written or oral, between the Company and the Agent and:
 - 1. Shall be effective _____
 - 2. Shall remain in full force and effect until suspended or terminated as provided herein.

XII. GENERAL PROVISIONS AND CONDITIONS

- a. The Vendor shall clearly and prominently identify the agent of record by name when transmitting policies, premium notices and cancellation notices to policyholders.
- b. All undelivered policies , supplies, equipment, manuals, books of accounts, premium book registers, documents and other papers furnished by the Company or Vendor to the Agent at the Company or Vendor expense shall be returned by the Agent upon demand and shall at any and all times be subject to the inspection of its officers or other representatives, duly

In Witness Whereof the Agent and the Company have caused this Agreement to be executed on this _____ day of _____

_____.

FOR THE AGENT BY:

FOR THE COMPANY BY:

(Title)

(Title)