



INDEPENDENT AGENT AGREEMENT

(To The Corporation)

THIS AGREEMENT is made and entered into this ____ day of _____, 20____, by and between Group Coverage, Inc., with offices at 55 W. Ames Ct., Ste. 400, in the City of Plainview, and the State of New York, hereinafter referred to as the "AGENCY", and _____, whose address is _____, in the City of _____, and the State of New York, hereinafter referred to as the "INDEPENDENT AGENT".

WITNESSETH:

WHEREAS, the AGENCY is engaged in the business of selling and servicing insurance related products, and the INDEPENDENT AGENT is engaged in selling and servicing insurance related products; and

WHEREAS, the AGENCY desires to enter into this Agreement with the INDEPENDENT AGENT, providing, among other things, for INDEPENDENT AGENT services to the AGENCY; and

WHEREAS, the INDEPENDENT AGENT desires to enter into this Agreement with respect to his services to the AGENCY, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

The AGENCY hereby appoints the INDEPENDENT AGENT as an authorized non-exclusive independent insurance agent and/or broker to sell and promote all services provided by the AGENCY in all states both the AGENCY and INDEPENDENT AGENT are duly licensed including, but not limited to the State of New York. The INDEPENDENT AGENT shall assist the AGENCY upon the terms and conditions hereinafter set forth.

Term: The term of this Agreement shall commence on the ____ day of, 20 __, and continue indefinitely unless terminated by either party.

Duties of INDEPENDENT AGENT: During the period of this Agreement, the INDEPENDENT AGENT shall have the obligation and responsibility for the performance of the duties and/or work described hereinafter set forth, and the INDEPENDENT AGENT shall be obligated to the AGENCY for the performance of all such duties and/or work. During the period hereof, the INDEPENDENT AGENT shall assist the AGENCY and shall perform any and all services required or requested in

connection with the INDEPENDENT AGENT'S accounts placed through the AGENCY. Within the limitations herein provided, the INDEPENDENT AGENT will render such services to clients as may be requested from time to time by the AGENCY.

The INDEPENDENT AGENT shall be responsible for making the client familiar with the terms, conditions and exclusions of each policy written for the INDEPENDENT AGENT and any liability or obligation incurred herewith shall be the sole responsibility of the INDEPENDENT AGENT.

Professional Responsibility: Nothing in this Agreement shall be construed to interfere with or otherwise affect the rendering of services by the INDEPENDENT AGENT in accordance with his independent and professional judgment. The INDEPENDENT AGENT shall perform his services substantially in accordance with generally accepted practices and principles of his trade.

This Agreement shall be subject to the rules and regulations of any and all organizations and associations to which the AGENT may from time to time belong and to the laws and regulations governing the practice of the INDEPENDENT AGENT'S trade in the State of New York, or any state both the INDEPENDENT AGENT and the AGENCY are both duly licensed to conduct business.

Relation of the Parties: The INDEPENDENT AGENT is retained by the AGENCY only for the purposes and to the extent set forth in this Agreement and the INDEPENDENT AGENT'S relationship to the AGENCY shall, during the term of this Agreement, be that of an Independent Contractor. This Agreement shall not create a partnership, joint venture, employer/employee or similar relationship between the AGENCY and the INDEPENDENT AGENT.

It is agreed that the INDEPENDENT AGENT is an independent contractor for all purposes. As an independent contractor, the INDEPENDENT AGENT has the right to exercise independent judgment as to the time, place, and manner of soliciting insurance, servicing policyholders, and otherwise carrying out the provisions of this contract. Insurance being a closely regulated business, it is understood that it will be necessary for the AGENCY to provide the INDEPENDENT AGENT with certain manuals, forms, records, and other materials and supplies which are necessary in the conduct of an insurance business. All such property furnished to the INDEPENDENT AGENT by the company shall remain the property of the AGENCY and be returned to it in good condition upon termination of this contract. The AGENCY may offer to the INDEPENDENT AGENT, from time to time, training, counsel, and guidance based upon the AGENCY'S accumulated experience in the sale and servicing of insurance business. However, it is understood that the INDEPENDENT AGENT may reject or accept such offers at the INDEPENDENT AGENT'S discretion.

The INDEPENDENT AGENT shall be free to set their own hours, energy and skill as he or she deems advisable. The INDEPENDENT AGENT shall not be considered as having an employee status or as being entitled to participate in any plans, arrangements or

distributions by the AGENCY pertaining to or in connection with any pension, insurance, stock, bonus, profit sharing or other benefit extended to the AGENCY'S employees.

The INDEPENDENT AGENTS is not permitted, nor shall it hold itself out as the agent or representative of the AGENCY or its insurers for the purpose of obtaining premium financing. The INDEPENDENT AGENT shall be responsible and not cause the AGENCY or its insurers, in any way, to be responsibly to any finance company or to any other entity, for any claim of premium payments.

Income Tax Designation: The AGENCY shall not withhold, from sums becoming payable to the INDEPENDENT AGENT hereunder, any amounts for State or Federal Income Tax or for FICA (Social Security) Taxes, during the term of this Agreement. In the event that the Internal Revenue Service should determine that the INDEPENDENT AGENT is, according to I.R.S. guidelines, an employee subject to withholding and social security contributions, the INDEPENDENT AGENT shall acknowledge, as the INDEPENDENT AGENT acknowledges herein, that all payments to the INDEPENDENT AGENT are gross payments, and the INDEPENDENT AGENT is responsible for all income taxes and social security payments thereon.

Expenses of the INDEPENDENT AGENT: INDEPENDENT AGENT shall bear any and all costs or expenses incurred in placing business through the AGENCY including, but not limited to, vehicle insurance, travel expenses and telephone expenses.

Errors and Omissions Insurance: The INDEPENDENT AGENT represents and warrants that he will maintain errors and omissions insurance and will be responsible for all costs.

Worker's Compensation: If required by the laws of the State of New York, or any applicable state, the AGENCY shall maintain in full force and effect a policy of worker's compensation insurance covering the INDEPENDENT AGENT during the term of this Agreement and the INDEPENDENT AGENT'S account shall be debited by the prorated premium thereon attributable to the INDEPENDENT AGENT.

Commissions and Fees to the INDEPENDENT AGENT: The AGENCY shall pay the INDEPENDENT AGENT on a commission basis for accounts placed through the AGENCY written by the INDEPENDENT AGENT in connection with this Agreement, the exact amount for each account is based on the following attached schedule:

The INDEPENDENT AGENT shall pay the AGENCY a return for all unearned commission at the same rate on any return premium, including return premium whether on cancellations ordered or made by the insured or the insurance company with which the coverage is affected.

Buy-Out: Upon the death of the INDEPENDENT AGENT, the AGENCY shall have the option to purchase the accounts owned by the INDEPENDENT AGENT placed through the office of the AGENCY based on a formula of one times the annual commissions

received minus any charge-backs and/or accounts payables for a period to be paid to the estate of the INDEPENDENT AGENT for a period of (24) months.

Yes _____ No _____

Disability Buy-Out: In the event the INDEPENDENT AGENT becomes disabled, this agreement shall continue for a period of (12) months. During the period of the disability, all payments will continue as set forth in the terms of the agreement. At the end of the (12) months, if the disability still continues, it shall be deemed to be a permanent disability and upon permanent disability, the AGENCY will have the option to purchase the INDEPENDENT AGENT'S accounts placed through the office of the AGENCY based on a formula of one times the annual commissions received minus any charge-backs and/or accounts payables for a period of (24) months to be paid to the INDEPENDENT AGENT or the beneficiaries of the INDEPENDENT AGENT.

Yes _____ No _____

Assignment of Rights: The INDEPENDENT AGENT acknowledges that the services to be rendered by him or her are unique and personal. Accordingly, the INDEPENDENT AGENT may not assign any of his or her rights or delegate any of his or her duties or obligations under this agreement without the written consent of the AGENCY. The rights and obligations of the AGENCY under this agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the AGENCY.

Non-Compete: During the term of this Agreement or within five year(s) after it's termination, the INDEPENDENT AGENT, or any agents or representatives under INDEPENDENT AGENT'S control shall not compete with the AGENCY, directly or indirectly with respect to the accounts that were written by the INDEPENDENT AGENT through the marketing efforts of the AGENCY. Under no circumstances and at no time shall the INDEPENDENT AGENT disclose to any person any of the secrets, methods or systems used by the AGENCY in it's business. All customer lists, brochures, reports, and other such information of any nature made available to the INDEPENDENT AGENT by virtue of the INDEPENDENT AGENT's association with the AGENCY shall be held in strict confidence during the term of this Agreement and after its termination.

Warrantees, Guarantees, and Representations: INDEPENDENT AGENT is not authorized to extend any warranty or guarantee or to make representations or claims with respect to AGENCY'S services without express written authorization from the AGENCY.

Disclosure of Information: The INDEPENDENT AGENT acknowledges that the list of the AGENCY'S customers as it may exist from time to time is valuable, special and unique asset of the AGENCY'S business. The INDEPENDENT AGENT shall not, during or after the term of this agreement, disclose the list of the AGENCY'S customers or any part thereof to any person, firm, corporation, association or other entity for any

reason or purpose whatsoever. In the event of a breach or threatened breach by the INDEPENDENT AGENT of the provisions of this paragraph, the AGENCY shall be entitled to an injunction restraining the INDEPENDENT AGENT from disclosing, in whole or in part, the list of the AGENCY'S customers or from rendering any services to any person, firm, corporation, association or other entity to whom such list, in whole or in part, has been disclosed or is threatened to be disclosed. Nothing herein shall be construed as prohibiting the AGENCY from pursuing any other remedies available to the AGENCY for such breach or threatened breach, including the recovery of damages from the INDEPENDENT AGENT.

Indemnification to the AGENCY: INDEPENDENT AGENT shall indemnify and hold AGENCY harmless of and from any and all claims or liability arising as a result of negligent, intentional, or other acts and/or errors, or omissions of the INDEPENDENT AGENT or of his/her agents, employees, or representatives.

Any and all claims for unemployment benefits and or claims for workers' compensation benefits are hereby expressly waived by the INDEPENDENT AGENT. INDEPENDENT AGENT agrees to maintain separate insurance policies for liability, health, disability, accident, workers compensation, unemployment, or other insurance as may be necessary or required by law, or by the AGENCY, or by the carriers the AGENCY and/or INDEPENDENT AGENT represents in connection with the performance of the duties and obligations of the parties herein.

Arbitration: This agreement and all transactions contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the State of New York. The Parties herein waive trial by jury and agree to submit to the personal jurisdiction and venue of a court of competent jurisdiction located in Nassau County, State of New York. In the event that litigation results from or arises out of this Agreement or the performance thereof, the Parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. In such event, no action shall be entertained by said court or any court of competent jurisdiction if filed more than one year subsequent to the date the cause(s) of action actually accrued regardless of whether damages were otherwise as of said time calculable.

Termination: This Agreement may be terminated at any time, with or without cause, by either party upon ninety (90) days written notice.

Notice: Any notice required to be given hereunder shall be deemed given on the third (3rd) business day following mailing of any such notice, postage paid, to the address set out herein above.

Entire Agreement: This Agreement contains the entire agreement between the parties and any representation, promise or condition not incorporated herein shall not be binding upon either party.

This Agreement supersedes all previous agreements and or understandings whether oral or written.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of:

"AGENCY"

"INDEPENDENT AGENT"

_____ Witness _____ Witness

_____ Witness _____ Witness