Producer's Legal Name: _____ Producer Code: _____

Address: _____

Effective Date of Agreement: _____

PRODUCER AGREEMENT

This Agency Agreement (the "Agreement"") between on behalf of the Company(ies) listed on Exhibit A (collectively, the "Company") and the producer listed above (the "Producer"), effective on the date noted above, governs the relationship between the parties for the type of business covered under this Agreement. It replaces all previous contracts or agreements, whether oral or written, between the parties for such business.

I. Appointment

The Company hereby appoints the Producer, and the Producer hereby accepts the appointment, on a nonexclusive basis, to act on behalf of the Company as further set forth herein for the Company's divisions listed in Exhibit B. The Producer shall have no authority except that which is expressly set forth in this Agreement. No authority shall be implied from the authority expressly granted herein.

As between the Producer and the Company, the relationship shall be that of an independent contractor, and nothing contained in this Agreement shall create a relationship of employer and employee, partnership or joint venture between the parties or its agents or employees. Producer will exercise its own judgment in the conduct of its business. The Producer is responsible for all expenses incurred in the operation and performance of the services under the Agreement.

As between the insured and the parties, the Producer, not the Company, is the agent of the insured.

II. Authority and Duties

A. The Company authorizes the Producer to:

1. Solicit applications, enrollment cards and other similar or related documents required by the Company prior to effectuating coverage or issuing policies and endorsements, and forward such documents to the Company for its consideration; and

2. Service the contracts of insurance issued by the Company in accordance with all instructions, policies, procedures, processes and underwriting rules and guidelines of the Company; and

3. Bill and collect premium payments in accordance with requirements herein; and

4. If Producer is acting as a surplus lines broker, comply with all laws concerning the collection and payment of premium taxes and stamping fees, filing of affidavits and written, stamped or printed notices to insureds.

B. The Producer will perform all of its duties in a professional and workmanlike manner.

C. The Producer recognizes that effective claims control comes from immediate intervention when a claim occurs. Consequently, the Producer will immediately report to the Company any fact, occurrence or incident that may result in a claim or loss, or increased risk of loss, of which the

Producer becomes aware. The Producer further agrees to report any subsequent information regarding such claim or loss and to cooperate with adjusters and attorneys appointed by the Company to assist in the investigation, adjustment or defense of any claim or loss.

III. Restrictions

A. The Producer's authority does not permit it to do any of the following acts or to commit the Company to perform any of the following acts:

1. Bind, execute, or endorse any new or renewal policies of any type; or

2. Make, alter, vary or discharge any terms, rates, conditions or limitation of any policy; or

3. Extend the time for payment of premiums; or

4. Reinstate any certificate or contract; or

5. Solicit applications or enrollment forms in any state without a valid insurance license and approved appointment in that state; or

6. Adjust or settle any claims; or

7. Incur any liability on the Company's behalf or enter into any legal proceeding pertaining to the Company's business as a representative of the Company; or

8. Place, utilize or distribute any advertisement regarding the Company, its logo, or its products, including email or website promotions, without the Company's written approval.

B. The Company reserves the right, in its sole discretion to reject and cancel prospective business submitted to it by the Producer that is not satisfactory to the Company. The Company is not obligated to accept any business from the Producer.

IV. Compliance with Laws and Regulations

A. The Producer, and to the extent applicable, its employees, must be properly licensed and appointed in every state in which it solicits business or where commissions are earned. Unless the Producer is so licensed and appointed, the Company will not pay commissions on the business the Producer produces. The Producer warrants that neither it, nor any of its employees, have been materially fined, censored, or otherwise been subject to an action involving their license.

B. The Producer shall notify the Company immediately if any license required to perform the services contemplated by this Agreement is changed, suspended, revoked, limited or terminated in any manner, or if any of its agents are fined, censored, or otherwise subject to any action involving their license.

C. The Producer will notify the Company if it or one of its officers, partners, principals, owners, employees or agents is, or has been, convicted of a federal or state felony crime involving dishonesty or breach of trust. This requirement applies whether or not the Company has appointed or intends to appoint such person.

D. The Producer will comply with all applicable local, state or federal laws or regulations, including, but not limited to, those relating to, escheat and abandoned property laws, anti-terrorism and those prohibiting discrimination based upon race, national origin, ethnic background, creed, age, sex, disability, or any other unlawful discrimination, as well as, the Violent Crime Control and Law Enforcement Act of 1994, the insurance provisions of 18 U.S.C. 1033 (which makes it a crime for

an insurance company to do business with a felon or person who has breached fiduciary obligations, unless such individual has obtained a waiver from the appropriate regulatory agency), the Gramm-Leach Bliley Act, and the US Patriot Act.

E. The Producer will comply with all applicable privacy laws and regulations, including the Health Insurance Portability and Accountability Act. The Producer further agrees that it will maintain security measures designed to i) ensure the security and confidentiality of any private or confidential information, ii) protect against any anticipated threats or hazards to the security and integrity of private or confidential information; and iii) protect against unauthorized access to, or use of, any private or confidential information. The Producer may use any private or confidential information as allowed by law to provide the products and services contemplated by the Agreement.

V. Premium Collections

A. General Accounting and Billing Provisions

1. All funds that the Producer collects or receives from an insured are held on behalf of the Company in a fiduciary capacity in an account separate from the Producer's regular operating account. The Producer will not use the funds for any purpose except those specifically approved by the Company. The Producer is responsible for the funds and bears the risk of any loss until such funds are transferred to the Company.

2. Unless an account is directly billed, the Producer is responsible for remitting to the Company all premium due on policies and endorsements, regardless of whether collected by the Producer, including premium due from audits or post-termination adjustments. The Producer can avoid responsibility for the collection of any audit or post-termination adjustment premium, if the Producer provides written notice to the Company within thirty (30) days of receipt of the invoice noting such additional premium. The Producer will not receive any commission for audit or post-termination adjustment premium if it chooses to supply such notice.

3. The Producer agrees to cooperate and assist the Company in any collection effort, including the collection of premium due on policies that are referred to a collection agency or the Company's collection unit.

4. In the event the Producer deals with any premium finance companies with regard to business placed with the Company, that relationship shall not impose any responsibilities or obligations on the Company other than to cancel any existing policy upon receipt by the Company of a proper notice of cancellation for non-payment of premium installments from any such premium finance company, unless otherwise required by law.

B. The process for the Producer's collection and remittance of premium to the Company is attached on Exhibit C. Instructions for remittance to the Company will be provided on Statements of Account or invoices.

VI. Commissions

A. The Producer shall receive commission payments on all new and renewal business, as well as any other premium-bearing business, written by and agreed upon by the Company and the Producer. The Company may, in its sole discretion, change commission rates from time to time. Such changes, if resulting in a decrease in commissions, will be effective 90 days from date of notice; or if resulting in an increase in commissions, will be effective immediately. If the Company reduces a commission rate, it will not reduce the same commission rate for another twelve (12) months. Commission will be paid based on the rate in effect at the effective date of the policy.

The commission rate paid to the Producer includes all acquisition costs, so if commissions are due to a sub-agent or counter signing agent, the Producer is responsible for such payments.

B. In order to receive commission payments, the Producer must have a current license as described in this Agreement, appear as the agent of record for the insured, provide services to the insured, timely remit the premiums to the Company, and comply with all other terms and conditions of this Agreement.

C. The Producer agrees to refund to the Company commissions on any and all business that is cancelled or has premiums reduced pursuant to audit, endorsements or otherwise, at the same rate at which the commissions were originally paid to the Producer. The Company may offset such refund of commission against any money due to the Producer. The Producer does not have to refund commission on collected earned premium amounts.

D. The Company will not pay commission, or other compensation, on uncollected and/or uncollectible premium or accounts where the Company had to undertake collection efforts.

E. In the absence of specific information to the contrary, the books, records, accounting and statistical procedures of the Company shall be used and shall be controlling in the determination of the proper amount of commission due the Producer.

VII. Books & Records

A. The Producer will retain copies of all applications, supplemental applications and related policy documents for the longer of i) seven (7) years from the policy expiration, or ii) the time required by law. In addition, for six (6) years after published, the Producer will retain copies of all advertisements, promotional material and publications using the Company's logo or name along with full details and reports regarding where, when and how such material was used.

B. Upon the Company's written request, the Producer will make available to the Company, our authorized representatives or a regulator with authority over the Company or the Producer, the Producer's books, records and related documents for inspection and audit. The Producer will make these available during regular business hours at the place such books and records are kept. The Producer will, also, upon the Company's request, promptly provide the Company with copies of applications, policies and other documents related to business placed with the Company.

C. Materials developed and provided by the Company, including, but not limited to, computer programs, manuals, underwriting guidelines, or any other information pertaining to the Company's products or their content shall remain the sole and exclusive property of the Company. These materials shall be delivered to the Company upon its demand therefore, and in any event, upon termination of this Agreement.

VIII. Insurance

A. The Producer shall secure and maintain Errors & Omissions coverage, with minimum coverage limits of $2,000,000 per occurrence, placed by a carrier rated at least "A-" by A.M. Best.

B. The Producer shall provide the Company with a current certificate of insurance as proof of such coverage each year. The Producer shall also provide the Company with written notice of any change, cancellation or other termination of coverage.

IX. Ownership of Expiration Rights

Except as otherwise provided for in this contract:

A. The Company expressly recognizes the Producer's independent ownership of the policy expirations covered by this Agreement. The Company agrees not to knowingly market insurance

products to the Producer's clients independent of the Producer without the Producer's prior approval, unless required by law. A policyholder's choice designating another producer as its producer, will be binding on the Company.

B. Notwithstanding the above IX.A., nothing shall prohibit the Company from accepting business from another producer, including business of the Producer, as long as the Company does not use the Producer's information to identify such business.

C. Notwithstanding any other provision of this Agreement, if the Producer is in default of any of its material obligations under this Agreement, or this Agreement is terminated pursuant to Section X. C., the Producer shall forfeit the ownership, use and control of its expirations to the Company and the Company shall have the right to make such use of the expiration rights as it deems fit in order to satisfy any of the Producer's obligations under the Agreement.

1. Once such material obligations have been satisfied in full, the rights to the use and control of the expirations may revert back to the Producer.

2. The Producer herein grants the Company a security interest in the expirations in such case of material default or termination under this section of the Agreement and gives the Company power of attorney to act on its behalf to assume ownership of the expirations pursuant to this section.

3. If the Company, using reasonable business judgment, decides to sell or otherwise transfer the Producer's expiration rights under this section of the Agreement to meet the Producer's obligations, the Company will provide the Producer with an accounting and pay the Producer any amount which exceeds the amounts due to the Company, plus costs. If the Company does not recover enough to offset all debt and or damages owed by the Producer, the Producer will remain responsible for the unpaid amounts.

X. Termination of Agreement

A. The Producer may terminate this Agreement at any time by giving the Company advance written notice.

B. The Company may terminate this Agreement upon ninety (90) days notice (or, the notice required by law if more than ninety (90) days), if the Producer is in compliance with all of its obligations under this Agreement, all applicable statutes and regulations.

C. The Company may terminate the Agreement immediately, (unless specific notice is required by law) for the following:

1. the Producer is in material breach of the Agreement which has not been cured within ten (10) days of written notice by the Company to the Producer; or

2. the Producer's license to engage in the business of insurance is suspended or revoked by any regulatory authority; or

3. the Producer has failed to comply with applicable laws or regulations; or

4. the Producer abandons its business; or

5. the Producer has wrongfully withheld any funds, commissions or other compensation owed or belonging to the Company; or

6. the Producer has defrauded or attempted to defraud the Company or a policyholder; or

7. the Producer dies or is disabled such that the Producer cannot perform the obligations under the Agreement, or if the Producer is a corporation or other legal entity, upon the

death or disability of the principle of the Producer unless other licensed agents are already appointed by the Company; or

8. the Producer furnished false information of a material nature or failed to disclose information of a material nature in order to induce the Company to enter into the Agreement.

D. Effective upon notice of termination of this Agreement for any reason, the Producer will cease accepting applications for policies on the Company's behalf without prior approval.

E. After the effective date of termination or withdrawal of authority, the terms and conditions of this Agreement continue to apply to post-termination policy transactions.

F. If the Company is required to renew any policy after contract termination or withdrawal of authority,

1. The Company will renew the policy through the Producer only if an insurance statute or regulation requires it.

2. The Producer will receive commission on such renewal unless it is in material breach under the Agreement. If the law requires the Company to pay commission, even if the Producer is in material breach under this Agreement, the Company may reduce the commission rate to the extent allowed by law.

G. In the event of contract termination or withdrawal of authority, the Company will provide appropriate notice to the affected policyholders of its intent to not renew their policies.

XI. Offset

The Company shall have the right to offset any amount owed to the Producer, including commissions, against any money owed to the Company from the Producer, including non-remitted premiums, return commission or sums owed pursuant to any indemnification by the Producer of the Company. The Company may charge to the Producer interest on such monies past due to the Company at the lesser of: i) 12% interest, or ii) the maximum amount allowed by law.

XII. Indemnification

A. The Producer agrees to defend and indemnify the Company, its subsidiaries, successors and assigns and the shareholders, directors, officers, agents and employees of any of them (collectively the "Company Indemnitees"), against and in respect of, any and all claims, demands, actions, proceedings, liability, losses, damages (except consequential damages), judgments, costs and expenses, including, without limitation, attorneys' fees, disbursements, and court costs suffered, any regulatory fines, penalties or charges made or instituted against or incurred by the Company Indemnitees, and which directly or indirectly, arise out of, or, relate to, (i) negligence of the Producer, or its employees or representatives, in discharging the Producer's obligations to the Company or policyholders, including the issuance of certificates, (ii) failure by the Producer, or its employees or representatives, to comply with any applicable laws or regulations, including privacy laws, and/or (iii) any failure by the Producer, or its employees or representatives, to perform the Producer's obligations or covenants under, or related to, this Agreement.

B. The Company agrees to defend and indemnify the Producer, its subsidiaries and assigns, and the shareholders, directors, officers, agents and employees of any of them (collectively the "Producer Indemnitees"), against, and in respect of, any and all claims, demands, actions, proceedings, liability, losses, damages (except consequential damages), judgments, costs and expenses, including without limitation, attorneys' fees, disbursements and court costs suffered, any regulatory fines, penalties or charges made or instituted against or incurred by the Producer

Indemnitees, and which, directly or indirectly, arise out of or relate to any failure by the Company, or its employee or representatives, to perform its obligations or covenants under or relating to the Agreement.

C. Either party who intends to claim their right of indemnification hereunder shall promptly notify the other party when it receives notice of the commencement of any action or proceeding related to such claim or alleged liability, and such other party shall be entitled to participate in such action with counsel satisfactory to both parties.

XIII. Miscellaneous

A. This Agreement, and all referenced exhibits and schedules constitute the final, complete and exclusive statement of the terms of the agreement between the parties relating to the subject matter of the Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties, whether oral or in writing. Unless otherwise provided herein, this Agreement may not be amended or modified unless in writing signed by both parties. Nothing in this Agreement, except as expressly stated herein, is intended to create any benefit for any third party.

B. The Producer may not assign or transfer this Agreement, or any benefit or right under this Agreement without the Company's written consent. An assignment shall include a "change of control" defined as the sale, change in majority ownership, assignment, transfer, or merger of the ownership of the Producer, or a sale, assignment or transfer of all or substantially all of the assets of the Producer. The Producer shall notify the Company of a Change of Control 30 days prior to the Change of Control, at which time, the Company will have the option to terminate the Agreement or to agree to its assignment.

C. In the event that any one or more of the provisions within the Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion of such provision(s) would result in a material changes so as to cause completion of the transactions contemplated herein to be unreasonable.

D. This Agreement shall be governed by the laws of Florida without giving effect to any choice of law provision. Any action brought to enforce this Agreement shall be brought in the courts of Seminole County, Florida. Each party waives any challenge to this jurisdiction and agrees to waive a jury trial.

E. All terms, provisions, obligations, duties and remedies pursuant to this Agreement shall survive any cancellation or termination of this Agreement.

F. All notices and other communications given to either party shall be in writing and shall be either hand delivered, mailed certified mail, postage prepaid or sent via a nationally recognized overnight express courier service to the address as follows:

If to the Company:

725 Primera Blvd.
Suite 115
Lake Mary, FL 32746

If to the Producer: As noted on the Signature Page

G. Failure by either party to enforce any clause of this Agreement shall not constitute a waiver of the particular provision of the Agreement or any other provision of the Agreement.

EXIBIT A

SIGNATURE PAGE FOLLOWS

PRODUCER:

Signature of Individual Agent

Printed Name of Individual Agent

Make Commission check payable to:

Business Street Address:

Business City, State & Zip:

Agent E-mail:

Business Phone:

Business Fax:

Business TIN:

Agent SS#:

_____

Agent DOB:

_____

Accounting/Billing Contact

_____

Accounting/Billing Email

MGA INSURANCE AGENCY (THE COMPANY) **KAPATOES INSURANCE SERVIVCES , LLC**

By: _____

Name: _____

Date: _____

Exhibit B

Process for Collection and Remittance of Premium

Account Current

1. The Producer shall transmit to the Company, in full, all premiums due the Company in compliance with Company-approved premium payment plans, net of commissions, resulting from business placed by the Producer with the Company; it being the intention of the parties that the risk of premium collection is with the Producer.

2. Within five (5) days of the close of each month, the Company will send to the Producer a statement of premiums for individual policies, endorsements, and premium-bearing instruments that were issued and effective, cancelled or otherwise adjusted, in the prior month ("Statement of Account"). The Statement of Account will also list items that were effective in prior months, but not previously billed. The omission from any Statement of Account of any item due the Company shall in no way

modify or otherwise affect the responsibility of the Producer to account for and pay the Company any and all premiums net of commission. Nor shall the omission prejudice the right of the Company to collect any and all sums to which it is entitled.

3. Within ten (10) days of the close of each month, the Producer shall remit to the Company the amount due, whether or not collected by the Producer.

4. If, after receiving any Statement of Account, the Producer disagrees with the stated amount, the Producer must notify the Company, in writing, within five (5) days of the receipt of the Statement of Account of any discrepancies, providing the support for any requested adjustment. Payment for any undisputed portion of the Statement of Account remains due and owing by the regular payment date. Payments for disputed amounts will be included in the next regular Statement of Account after the resolution.

5. Any return premium provided to the Producer for return to the insured shall, upon delivery by the Company to the Producer, become the obligation of the Producer to return to the insured.