

BROKERAGE AGREEMENT

AGREEMENT by and between
(Hereinafter called "Broker") and ABERDEEN INSURANCE GROUP (hereinafter called "AIG").
WHEREAS, Broker desires to obtain from time to time various insurance coverage for his clients and wishes to use the facilities of AIG to accomplish this, BROKER understands that AIG has no obligation to place any insurance coverage requested by BROKER. BROKER represents, hereby, that he holds a valid broker license issued by the State in which he desires to place insurance coverage and is legally able to do so.

NOW, THEREFORE, intending to be legally bound under the Laws of the Commonwealth of Pennsylvania, or jurisdiction where Broker resides, parties hereto agree as follows:

COMMISSION

AIG will allow BROKER commissions at such rates as are in accordance with AIG's usual scale of commission applicable under the circumstance and as may be agreed upon from time to time.

PREMIUM PAYMENT

BROKER agrees that payment of premiums will be made not later than twenty (20) days after the end of the month in which the coverage is effected or Terms as indicated on Invoice. Failure to pay premiums as scheduled will result in the immediate cancellation of policies for which payment is outstanding. Every policy for which AIG has not been paid will be subject to immediate notice of cancellation.

BROKER guarantees the payment of all premium due AIG on insurance bound or written, except additional premiums developed under audits, whether they are collected by BROKER and whether they are financed. With respects to additional premiums developed under an audit, BROKER agrees to exercise all reasonable efforts to collect such premium audits from the insured. If such premium audits are uncollectible and the unpaid account is returned within twenty (20) days from invoice date, with evidence that BROKER has made a reasonable and responsible effort to collect said audit premiums and if the carrier issuing the policy agrees to undertake direct collection efforts thereafter, AIG will return said audits to the carrier for collection. BROKER will receive no commission on audit premiums returned for direct collection.

BROKER agrees that any extension of credit by him to his client(s) or to any other person is solely at his or her own risk, and not at the risk of AIG. BROKER will pay to AIG all sums due, as showed on BROKER'S monthly statement, when due, whether he has collected such money from other who may owe it to BROKER. BROKER recognizes that in agreeing to pay AIG, he does so as an original undertaking on his or her part and not as a guarantor or surety of another obligation.

BROKER agrees, from time to time, to pay premiums as invoicing requests. Due to contractual agreements made by AIG, we deal with certain markets that we cannot provide terms as previously stated. Requesting payment of premiums may be necessary before the normal credit time allowed. BROKER should ask at the time of placement and AIG will try to advise any special terms required. Obligation for payment will be due at the date requested and if we receive no payment, we will cancel the policy.

CANCELLATION

BROKER agrees that AIG will cancel no policy, binder, cover note or other placement of coverage flat. Short rate cancellation will be applied in all cases. Cancellation at the request of insurers will be pro rata unless policy provisions provide otherwise, and then such provisions will prevail. Cancellation by finance company is deemed to be at the request of the insured and will be calculated on a short rate basis.

Notice will effect notices of cancellation to mortgagees, loss payees, certificate holders, public regulatory agencies, etc. The date of cancellation will be the last days on which the entities named in the preceding sentence are entitled to notice, despite any notice of cancellation to AIG and/or return of policy to AIG.

PLACEMENT & EXPIRATION NOTICE

The sole obligation of AIG to placement of insurance will be to use its best efforts to place insurance coverage as requested by BROKER without obligation for its inability or failure or refusal to do so.

AIG will attempt to advise BROKER before an expiration date of coverage written by AIG for the BROKER. However, it will not be its obligation to do so. The failure of AIG to give BROKER such notice will not render AIG liable to BROKER and AIG will in no way be responsible for failure to notify BROKER, of the expiration date of any policy of insurance.

BROKER is not an employee, agent, or authorized representative of AIG or any insurers represented by AIG. BROKER has no authority to accept or bind risks for AIG or any insurer represented by AIG. BROKER has no authority to handle claims on any coverage placed for him or her or by AIG. BROKER does have the responsibility to report all claims to AIG promptly upon BROKERS knowledge or notice of same. Notice to BROKER of change in a risk does not constitute a notice to AIG or the insurer represented by AIG. No act or statement of BROKER will in any way be binding on AIG or any insurer represented by AIG.

TERMINATION

This **Agreement** will become effective when accepted by AIG and supersedes all previous agreements whether oral or written. Either party at anytime can cancel this Agreement upon the giving of written notice of termination. However, such termination will not effect the rights of either party with respects to business in force as of the date of termination.

Upon termination of this agreement, the BROKER will immediately bring his or her account up to date, including the payment of all outstanding premiums due. In the event the account is unpaid, the records, including the use and control of expirations are vested exclusively to AIG until the account is considered paid in full.

GENERAL TERMS & CONDITIONS

BROKER agrees to keep complete records and accounts of all transactions and permit AIG to inspect all records concerning business transacted under this Agreement.

BROKER agrees to maintain errors and omissions' coverage for itself and those for whom it is responsible.

BROKER will not advertise in any way the name AIG or any company or underwriter represented by AIG or its subsidiaries, without the prior written consent of AIG.

Each party will defend, indemnify and save harmless the other party against all claims, suits liabilities, losses, etc., arising out of or in any way resulting from the negligence or failure to perform its duties hereunder by the indemnifying party.

BROKER agrees to return to AIG, if a return premium is becoming due for any reason whatever, the unearned commissions at the same rate at which we originally paid the commission.

WARRANTY

BROKER agrees that they will maintain Insurance Agents Errors and Omission coverage during the term of this contract for limits of at least \$500,000 per occurrence and \$1,000,000 aggregate with a deductible not to exceed \$5,000. It will be the duty of the BROKER to immediately notify AIG should this coverage be cancelled, non renewed or lapse.

BROKER agrees that we will try all disputes hereunder exclusively in the Court of Common Pleas of the State of Pennsylvania or similar court, and to that end, BROKER irrevocable consents to service of process by certified mail, return receipt requested, postage paid, to BROKER's address as set forth in AIG's records.

This Agreement is the entire and exclusive understanding between the parties with respects to its subject matter and is to be construed in accordance with and be governed by the Laws of the State of Pennsylvania.

BROKER without the written consent cannot assign this Agreement of AIG. It will be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assignees.

SIGNED ON THIS _____ **day of** _____ **20** _____

WITNESS: _____ **BY:** _____
TITLE: _____
BROKER

EMPLOYERS FEDERAL OR SOCIAL SECURITY NUMBERS: _____

BROKERS LICENSE NUMBERS: _____ **STATE(S) OF ISSUE:** _____
_____ **STATE(S) OF ISSUE:** _____

ACCEPTED and effected on this _____ **day of** _____ **20** _____

WITNESS: _____ **BY:** _____
TITLE: President/Aberdeen Insurance Group