

# Welcome to National General Insurance!

The following information will provide the necessary steps to get your Smart Choice agency appointed and onboarded with National General Insurance a Smart Choice Express Market Carrier.

**NOTE:** Attachments Include: National General Insurance Appointment Form, Producer Information Form (Each Producer Must Complete and **SS# Must Be Provided**), Background Check Consent Form (BCG only needed if writing business in AL, AR, FL, GA, KS, KY, MS, NC, OH, OK, PA, SC, or WV), Agency Agreement, the AL3 Agency Management System Download Form, and a W9 Form.

## Smart Choice Agents National General Appointment Instructions

**PLEASE SEND THE FOLLOWING DOCUMENTS TO:** [dbrown@smartchoiceagents.com](mailto:dbrown@smartchoiceagents.com)

- National General Insurance Appointment Form
- Producer Information Form (Each Producer Must Complete and **SS# Must Be Provided**),
- Background Check Consent Form (BCG only needed if writing business in AL, AR, FL, GA, KS, KY, MS, NC, OH, OK, PA, SC, or WV),
- Agency Agreement,
- Producer License (s),
- Agency License,
- A Copy of Agency's E&O
- W9

**PLEASE SEND THE** AL3 Agency Management System Download Form **TO:**  
[AL3AgencyManagementSystem@NGIC.com](mailto:AL3AgencyManagementSystem@NGIC.com)

That's it! Once your documents are received and processed, National General Insurance will follow up with the next steps. If you have any questions in the meantime, please contact Roger Gill (804) 731-3050 or Daniel Brown (804) 896-3959. [AgencyAppointmentExpress@NGIC.com](mailto:AgencyAppointmentExpress@NGIC.com)

**Roger L. Gill**

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**Smart Choice® Virginia State Director**

9215 Robin Rd  
Diputanta, VA 23842  
(804) 731-3050

[rgill@smartchoiceagents.com](mailto:rgill@smartchoiceagents.com)

Return ALL pages of the documents to:

Please complete this form **for EACH physical location by typing the information directly into the fields below**

Repeated information will automatically flow into other sections of this document for convenience.

1. A producer background form **REQUIRED for EVERY producer who will quote/bind business**
2. **Be sure to sign & date all required sections of this document found on pages 2, 3, 4, & 15**
3. Return ALL pages of each package back to email address above

**Background checks will only be performed in the following states: AL, AR, FL, GA, KS, KY, MS, NC, OH, OK, PA, SC, and WV**

<b>This Section should be completed by National General Insurance</b>	
Sales Manager:	Cross Reference key from CRM
Sales Manager email:	
Group Name	Consolidator Name

**Agent Permissions**

List states where agency will need to be appointed:

Agencies writing in MA must provide their MAIP (MA Auto Ins Plan) code

Select Specific PPA & SBA Products	Automatically add where available	Automatically add where available when agency and producers hold the required LOA's on their license
<input type="checkbox"/> PPA Value	BOP	Accident/Health
<input type="checkbox"/> Personal Auto (RAD product)	Flood	Life
<input type="checkbox"/> Value Plus	General Liability	Auto Protection (ck for Nation Safe Driver appts)
<input type="checkbox"/> Summit Auto	Marketplace	Roadside Assistance (ck for Nation Safe Driver appts)
<input type="checkbox"/> Imperial Classic	Motorcycle & ATV/Golf	
<input type="checkbox"/> Nat Gen Bond	RV	
<input type="checkbox"/> SBA <input type="checkbox"/> <b>SBA 50+ (PM approval RQD)</b>	Workers Comp	

\*National General Insurance has an array of personal lines insurance products available in your state. Your sales manager has met with you to discuss our various products to determine the products which best suit your agency. If in the future your needs change you can contact your sales manager to discuss.\*

**This Section should be completed by Agency/Brokerage**

Legal Entity Name	DBA Name	
Mailing Address	Mailing City, State, Zip	
Physical address	Physical City, State, Zip	
County	Phone	Fax
Agency/Broker Email Address	Agency/Broker Web address	

Commission payment options (**please select one**):

☐

Option 1 - Commission data should be sent to the office address shown on this form

☐

Option 2 - Commission data should be combined under main location code, as there is only ONE deposit account: Main location code

**This section will be used for Tax Reporting. By signing below you are verifying that the following are true:**

- The payee's TIN is correct.
- The payee is not subject to backup withholding due to failure to report interest and dividend income.
- The payee is a U.S person.
- **You may only fill in your SSN or the Tax ID, but NOT both**

Sole Proprietor SSN ( <b>required only when tax ID is not applicable</b> )	Tax ID (required)	Select a business entity type:	
		<input type="radio"/> Corporation	<input type="radio"/> LLC <input type="radio"/> Sole Proprietor <input type="radio"/> Partnership

#### Draft and Commission Account Authorization

I authorize the Company to draft premiums from the accounts with the banking information shown below, in the amount indicated by the payment and/or new business received by the Company from the producer. Additionally, I understand reimbursement for fees or uncollected premiums will be credited to this account. Any disputes regarding the amount drafted from or credited to the producer's account shall be resolved as soon as practical. The producer is also granted limited authority to endorse "For Deposit Only" checks made payable to companies in the National General Insurance Group which will be drafted from the producer's account. I also authorize the Company to automatically credit producer's account with any commissions due producer from Company.

I understand the Authorization for Automatic Drafts by Company shall remain in full force and effect unless and until such time as producer has given the Company ten days prior written notice of the intent to terminate the Authorization and provided all outstanding obligations of producer to Company have been satisfied.

<b>DRAFT</b> Routing transit # <b>(must be 9 digits)</b>	<b>DRAFT</b> Account #
<b>Commissions</b> Routing transit # <b>(must be 9 digits)</b>	<b>Commissions</b> Account #
By providing your fax number and email address, you agree the Company may send you product and promotional information via Fax, email or other medium. Your signature also attests your producers hold the proper licenses and comply with all applicable DOI requirements to sell the products we offer, and will submit documentation to substantiate credentials within 72 hours when requested by National General.	
Agency Principal Name	Principal Phone #
<b>REQUIRED Authorized Signatory:</b>	<b>Required Date:</b>

#### Agency E&O information **(Required)**

E&O Carrier Name (not agency name)	E&O Policy
Policy Effective Date	Policy Expiration date
Limit of Liability (minimum of \$1M)	Limit of Liability Aggregate
Deductible (not greater than \$25k) Each Claim:	Deductible Aggregate:

#### Email Notification Enrollment Optional – **Each agency is limited to two (2) contacts for each report.**

These reports do NOT execute daily – but only when there are active transactions to review.

For convenience, each policy listed in the emailed reports will link directly back to that policy on natgenagency.com

<b>Policy Activity report includes:</b> <ul style="list-style-type: none"> <li>Outstanding to-do items</li> <li>Current Cancellations</li> <li>Pending non-renewals</li> <li>Pending cancellations</li> <li><b>Past due payments (AZ only)</b></li> </ul>	<b>Billing Report</b> Shows policies eligible for reinstatement	<b>Claims Information Report</b> Displays newly reported claims
Primary Recipient Name	Primary Recipient Name	Primary Recipient Name
Primary Recipient email	Primary Recipient email	Primary Recipient email
Secondary Recipient	Secondary Recipient	Secondary Recipient
Secondary Recipient email	Secondary Recipient email	Secondary Recipient email

Please type your information directly into the form. You may tab or click to the next field.  
You will be required to save the document once you insert your digital signature.

**Every producer who quotes/binds business must complete a background form with their full SSN.**

Background checks will only be performed in the following states: AL, AR, FL, GA, KS, KY, MS, NC, OH, OK, PA, SC, and WV

<b>Business Name</b>		
<b>Producer Name</b>		
<b>Social Security Number</b>	<b>Date of Birth</b>	
<b>Present Home Address</b>		
<b>City</b>	<b>State</b>	<b>Zip Code</b>
<b>Work Email</b>		
Please check yes or no for each question and provide pertinent details for any question answered "yes" in space provided		Yes No
1. In the last 5 years, have you filed for or been discharged from any bankruptcy?		<input type="radio"/> <input type="radio"/>
2. Have you ever been the subject of an administrative proceeding regarding any professional or occupational license that resulted in disciplinary action outside of continuing education compliance?		<input type="radio"/> <input type="radio"/>
3. Has your insurance license ever been suspended, revoked or surrendered by any regulatory agency? Have you ever been fined, penalized, sanctioned or subject to any other disciplinary action by a state or federal regulatory agency? Are you currently under investigation as a result of your activities in the business of insurance, securities, banking, investment banking or real estate?		<input type="radio"/> <input type="radio"/>
4. Have you ever had an insurance producer contract or any other business relationship with an insurance carrier severed for any alleged misconduct		<input type="radio"/> <input type="radio"/>
5. Have you ever been convicted of, plead guilty or no contest to, or are you currently charged with or under investigation for any misdemeanor involving dishonesty or breach of trust or any felony?		<input type="radio"/> <input type="radio"/>
Explanation for any question answered yes:		

#### Disclosure/Authorization

In conjunction with entering into a business relationship with you, one or more insurance companies in the National General Insurance Group of Companies, hereinafter referred to as Company, may obtain one or more consumer reports on you. The reports may include information about your character, general reputation, personal characteristics and mode of living. To facilitate easy access to all information necessary, please complete, sign, and return this form.

I authorize all persons and entities (including but not limited to businesses, corporations, former supervisors, credit agencies, governmental agencies, law enforcement authorities, education institutions, state insurance departments, the NASD, and all military services) to release all written and verbal information to the Company. I release and agree to hold harmless each such person or entity from all liability and responsibility for doing so.

I also hereby certify that all of the information herein is accurate and complete. I acknowledge and agree that entering into a business relationship with the Company will, in part, be based on information found on or generated from this background information form, and any falsification, misrepresentation or omission of information from this form may result in the withholding, withdrawal from or the revocation of a business relationship with the Company whenever discovered.

I specifically authorize the Company to procure consumer reports on myself. I understand these consumer reports will contain information about my background, character, general reputation, personal characteristics and mode of living. I also understand I have the right to ask Company for a complete and accurate written disclosure of the nature and scope of such reports. This request must be made in writing within a reasonable time after signing this form. This authorization, in original or copy form, is valid now and any time in the future, until I revoke it in writing. I have retained a copy of this document.

<b>Producer Name</b>	<b>Date</b>	<b>Producer Signature</b>

# NATIONAL GENERAL INDEPENDENT AGENT AGENCY AGREEMENT

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This Agency Agreement ("Agreement") is effective \_\_\_\_\_ (date) and is between \_\_\_\_\_ ("Agency") having its principal place of business at \_\_\_\_\_ (address) and National General Insurance Company (NAT GEN) and the applicable affiliates and subsidiaries ("Company") named in the attached Schedule ("Schedule") as the Agent shall be from time to time appointed to represent the Company.

The Schedule and Independent Agency Standards ("Standards") as they may be amended from time to time, are expressly incorporated in their entirety as part of this Agreement. The Company reserves the right to amend the Standards without prior notice to the Agency, except that notice regarding changes to the Schedule will be given as indicated in Section III. This Agreement is the sole and entire agency agreement between the Company and the Agency, and it supersedes and replaces any prior agency agreements, and other agreements between the Company and the Agency. This Agreement also supersedes any prior oral statements and representations by the Company to the Agency in letters, manuals, booklets, memoranda, or any other format.

## I. AUTHORITY AND DUTIES OF AGENCY

- A. The relationship between the Company and the Agency and its officers, directors, shareholders, members, partners, employees, and other persons working in connection with this Agreement will be that of an independent contractor for all purposes.
- B. The Company appoints the Agency and it is authorized on behalf of the Company, during the term of this Agreement, to receive and accept, subject to such restrictions on binding authority as may be established by the Company, proposals for insurance covering such classes of risk located in the state(s) set forth in the Schedule.
- C. The Agency is also authorized to sell non-insurance products as approved by the Company through the companies specified in the Company Schedule.
- D. The Agency agrees to comply with all laws and regulations affecting its operation and to maintain its license(s) as an agent and, where required by law, as an agency. The Agency agrees and warrants that all persons working in connection with this Agreement, which are under the Agency's control, will comply with all applicable, federal, state, or local laws, rules, regulations, and ordinances. The Agency will notify the Company promptly, but no later than ten (10) days, after the employment or termination of any person authorized to represent the Company. If the Company is required to pay any fines or penalties as a result of the Agency's failure to comply with any law or regulation, the Company will advise the Agency of the amount of the fine or penalty, and the Agency will reimburse the Company promptly.
- E. The Agency shall transmit copies of all evidence of insurance, applications, binders, copies of policies and endorsements issued, or otherwise notify the Company of all liability accepted, not later than seven (7) calendar days from the date coverage was bound, collect and receive premiums, provide service to its customers who are policyholders of the Company, and assist the Company in claims administration according to its rules and procedures, which includes, but is not limited to reporting all losses to the Company promptly after the Agency becomes aware of them and forwarding any lawsuits or complaints to the Company promptly. If the Company is required to pay any fines or penalties as a result of the Agency's failure to comply with any law or regulation, the Company will advise the Agency of the amount of the fine or penalty, and the Agency will reimburse the Company promptly.
- F. The Agency shall not have the exclusive right to represent the Company, and the Agency has no authority to permit another agent, broker, solicitor, or subagent not duly appointed by the Company to bind the Company to any risk.
- G. The Agency agrees it shall not establish or utilize a location for the sale or servicing of policies issued by the Company outside the United States without prior written approval of the Company. If approved by the Company, the Agency agrees that it shall be solely responsible for compliance with all United States federal and state laws and regulations as well as all laws and regulations in such foreign location.

## II. TRUSTWORTHINESS

- A. As a condition precedent to this Agreement, the Company has the right to conduct background checks on all those employees conducting business on behalf of the Company to verify their trustworthiness. The Company may, at its option, conduct an annual audit of all Agency personnel appointed by the Company. The Agency understands in connection with these background checks that:
- i. The Company may obtain consumer reports (which may include a credit report, credit score, or criminal history report) or personal or privileged information from third parties and the Agency grants the Company the authority to do so.
  - ii. In certain circumstances, such information and other personal privileged information subsequently collected by the Company may be disclosed to other Company-affiliated third parties or to third parties as required by law without the Agency's permission.
  - iii. Upon the Agency's written request, within a reasonable time period, the Company will inform the Agency whether a consumer report was requested and the name and address of the Consumer Reporting Agency that furnished the report.
  - iv. The Company may request and utilize subsequent consumer reports on Agency personnel for the purposes set forth in this Section without the Agency's prior authorization.
- B. Agency certifies, to the best of its knowledge, that neither the Agency nor any personnel representing the Agency and appointed by the Company has been convicted of a felony or pled guilty or no contest to a felony involving a crime of dishonesty or breach of trust as defined and governed under the Violent Crime Control and Law Enforcement Act of 1994, 18 U.S.C. § § 1033, 1034, and any amendments thereto. Agency agrees to notify the Company immediately if the Agency or any of its personnel has been convicted of a felony or pled guilty or no contest to a felony as previously specified.

## III. COMPENSATION

- A. The Company will pay the Agency commissions on net written premium. Net written premium does not include installment payment fees, policy fees, premium refunds or credits, and amounts recorded as uncollected except as otherwise provided on the Schedule. For life policies and annuity contracts, net written premium will only be paid on issued policies. The Company reserves the right to reduce any rate of commission on the Schedule(s) upon the Company providing ninety (90) days prior written notice, or such greater notice as required by law, of any proposed reduction in such rate of commission to the Agency.
- B. If any application for insurance is rejected or any policy is surrendered or cancelled, in whole or in part, for any reason before the expiration of the policy period, or if:
- i. any premium is reduced,
  - ii. any overpayment is made to the Agency; or
  - iii. any premium paid is not earned by the Company.

then the commissions paid to the Agency on the amount returned or credited to the policyholder, or the amount overpaid to the Agency, will constitute an indebtedness of the Agency to the Company and will be charged to the Agency or recovered from the Agency by reducing any future commissions, awards, and/or bonuses due the Agency.

## IV. OWNERSHIP OF EXPIRATIONS

- A. The Agency has possession and ownership of expirations in policies it produced under this Agreement or acquired from a previous owner that were placed with any company listed on the Schedule.
- B. The Company has possession and ownership of expirations in policies bound through a Company call center or bound as a result of a customer-initiated e-commerce transaction on a Company owned or maintained web site.
- C. The Agency may, from time to time, disclose to the Company information about the Agency's customers for the purposes of obtaining pricing or other information. The Agency shall own all such information. Agency agrees that the Company shall have the authority to communicate to policyholders regarding products and services available through the Company and that such Company communication shall not interfere with Agency's ownership of expirations in policies produced under this Agreement.



- D. In the event of termination of this Agreement, the Agency's records and the use and control of expirations as defined in Paragraph A., above, shall remain in the undisputed possession and ownership of the Agency, except as set forth in Paragraph E. below.
- E. In the event of termination of this Agreement, if the Agency has abandoned its business, not satisfied any debt owed to the Company, has not properly accounted for and paid all premiums to the Company for which it is liable, or violates Section XII.C. of this Agreement by binding any new risk or increasing or extending the Company's liability without the prior approval of the Company, then the ownership of expirations in policies placed with the Company, including all right, title, and interest in and to the records thereof, shall vest in the Company as of the date of such termination.
- F. In the exercise of its right to collect any indebtedness due from the Agency through the possession and ownership of such expirations, the Company shall use reasonable business judgment in selling such expirations and shall be accountable to the Agency for any sums received which, net of expenses, exceed the amount of indebtedness. The Agency shall remain liable for the excess of the indebtedness over the sums received by the Company. Any indebtedness due from the Agency shall not prevent application of the "Ownership of Expirations" provision in favor of the Agency if the Agency furnishes collateral security acceptable to the Company in the amount of such indebtedness to be held by the Company until the indebtedness is satisfied.
- G. The Company will honor written change of agent requests made by a policyholder. The Company will provide the Agency with at least 10 days prior written notice of such change request, or such greater period of notice as may be required by law. If the request is not withdrawn by the policyholder within the 10 day notice period, the Company will process the change of agent effective at the next policy renewal date or as otherwise required by law.
- H. Nothing in this Section shall interfere with the Company's obligation to renew, offer, or solicit the renewal of policies containing contractual renewal guarantees or which must be renewed or offered renewal pursuant to state law, regulation, or by order of government authority.

## V. INDEMNIFICATION

- A. The Company will defend and indemnify the Agency against liability, including the cost of defense and settlements, imposed on the Agency by law for damages sustained by policyholders, which arise as a direct result of:
  - i. The Company's error or omission in preparing, processing, billing, or servicing any policy or endorsement, except to the extent the Agency caused, contributed to, or compounded such error.
  - ii. Failure of a policyholder to receive notice of cancellation, nonrenewal, or any notice affecting coverage, where the Company sends notices directly to the policyholder, except to the extent the Agency caused, contributed to, or compounded such error.
  - iii. The Company's actual or alleged failure to comply with the requirements of the Fair Credit Reporting Act, federal and state privacy laws, including, but not limited to, the Gramm-Leach-Bliley Act of 1999, except to the extent the Agency caused, contributed to, or compounded such failure.
  - iv. The Agency's actual or alleged failure to comply with the requirements of any other laws by following instructions or procedures established by the Company; or
  - v. Damages sustained and caused by any action of the Agency in using forms supplied by the Company or following instructions or procedures established by the Company, unless the Company has directed the Agency to discontinue the use of those forms, instructions, or procedures.

The Agency agrees, as a condition to such indemnification, to notify the Company promptly of any claim or suit against it, to allow the Company to make such investigation, settlement, or defense thereof as the Company deems prudent, and to cooperate fully with the Company in any such investigation, settlement, or defense thereof. The Company reserves the right to select counsel to represent the Agency in any such action. If the Company assumes the defense of such action, the Company will not be liable to the Agency for any legal or other expense subsequently incurred by the Agency in connection with such action, without the Company's prior approval.

- B. The Agency will indemnify the Company against liability, including the cost of defense and settlements, imposed on the Company by law for damages sustained by any person and caused by the acts or omissions of the Agency or any person working in connection with this Agreement, except to the extent the Company has caused, contributed to, or compounded such liability by

its acts or omissions. The Company agrees, as a condition to such indemnification, to notify the Agency promptly of any claim or suit against the Company. The Company reserves the right to select counsel to represent it in any such actions and to make such investigation or settlement, as the Company deems prudent. The Agency agrees to cooperate fully in any such investigation, settlement, or defense thereof.

## **VI. BUSINESS PROCEDURES**

- A. All business placed by the Agency with the Company will be direct billed business and the following procedures will apply:
- i. The completed application together with the initial premium, without deductions of commission, shall be submitted to the Company in accordance with the Company's remittance policies.
  - ii. The Company will be responsible for all premium billing and collection. If, however, the Agency collects premiums, the Agency will treat the premiums as trust funds and promptly account therefor and transmit to the Company, when and as directed by the Company, the full amount without making any deduction for any purpose.
  - iii. Agency shall maintain complete, reasonably accessible, and accurate records on all insurance transactions conducted on behalf of the Company. Records and such documents may be retained in electronic form if the electronic records are durable, retrievable, legible, and incapable of alteration, and shall be maintained in a format reasonably acceptable to the Company according to the Company's records retention schedule. After such records retention period, Agency shall notify the Company in writing at least 120 days before discarding or destroying any original documents.
  - iv. Agency will adhere to the Company's current underwriting and policy rating guidelines and binding authority limits for any specific lines of business. Agency shall retain all underwriting and other application and policy forms required by the Company as well as signed applications if required by law. If Agency fails to retain any documents required by law, Agency agrees to reimburse the Company for any regulatory fines assessed against the Company due to Agency's failure to retain such documents.
  - v. All records of the Agency pertaining to the business of the Company shall be subject to inspection at any reasonable time by representatives of the Company at the Company's expense for purposes of determining commission owed to Agency, in connection with any claims investigation, to ensure compliance with Company policies and procedures, or to assist the Company to respond to any regulatory inquiry.
  - vi. Agency shall not bind the Company in contravention of any instructions issued by the Company and shall adhere to all procedures and instructions issued by the Company whether issued by means of directives, letters, underwriting manuals or otherwise.
- B. The Company has the authority and reserves the right to expand, restrict, or modify Agency's authority to represent the Company, contact or permit any third party to contact any Company policyholder to provide customer service and claims administration,
- C. The Agency, at its sole expense, agrees to obtain and maintain a valid errors and omissions policy of insurance with minimum limits of liability of one million dollars (\$1,000,000) or such amount as the Company may approve, covering the Agency, each of the Agency's employees, other persons working in connection with this Agreement, and all locations approved pursuant to this Agreement. At the Company's request, the Agency will furnish a copy of the Agency's current errors and omissions policy.
- D. Financial losses incurred by Allstate due to the errors or omissions by the Agency are the responsibility of the Agency. Non-compliance with this requirement creates an indebtedness of the Agency to the Company and a breach of the contract, subjecting the Agency to terms and conditions for recovery, as applicable and as described in sections IV.E and IV.F. above, for collection of the amounts due the Company resulting from errors or omissions by the Agency. The Agency must file a claim for recovery from their E&O carrier, immediately, upon receiving a notice from the Company of the incurrence of the errors or omissions by the Agency.
- E. Agency will be responsible for the payment of all expenses it incurs in the performance of this Agreement including, but not limited to: expenses for its location(s), supplies not furnished by the Company, compensation of its employees or other persons working in connection with this Agreement, advertising expenses incurred at its direction, and all other charges and expenses.
- F. Agency agrees the Company will have the authority to use the name of the Agency or a licensed principal in the Agency and the licensed principal's signature, or facsimile thereof, on policy documents and customer communication materials.



## **VII. ADVERTISING**

- A. The Company will advertise its products and provide promotional material in accordance with its advertising policies. The Agency may also advertise in its sole discretion, subject to the requirements in Paragraph B. in this Section.
- B. The Agency will submit for approval all signs and advertising copy, including, but not limited to: sales brochures; advertisements in telephone directories or newspapers; radio and television commercials; electronic media displays; all sales promotional plans and devices; and all other materials, which may contain any reference to any service mark or trade name of the Company. The Agency will not use any such advertising material or sales promotional plan or device without obtaining prior written approval from the Company.
- C. The Company has the right to disapprove any or all of the aforesaid sales and advertising materials and any other materials that, in the exclusive judgment of the Company:
  - i. Do not conform to Company policy regarding use of Company service marks or trade names.
  - ii. May subject the Company to liability, loss of goodwill, or damage to Company reputation or Company customer relations.
  - iii. May fail to adhere to the requirements of any federal, state, or local governmental rules, regulations, and law; or
  - iv. May fail to conform to community or Company standards of good taste or honest dealing or may be detrimental to the business interests of the Company.

## **VIII. SERVICE MARK AND TRADE NAME PROTECTION**

- A. The Agency agrees to cooperate fully in any quality control program conducted by the Company relating to the use of its service marks and trade names and the nature and quality of services rendered and goods distributed under its service marks and trade names. The Company has the right to specify, delineate, or limit the services or goods in connection with which the Agency may use any of its service marks or trade names. In the event the nature or the quality of the services or goods in connection with which the Agency uses any of the service marks or trade names of the Company is not acceptable to the Company, then the Company will have the right to require the Agency to institute appropriate procedures to correct any deficiencies noted by the Company.
- B. The Agency agrees, at the request and expense of the Company, to assist the Company in protecting and enforcing the rights of the Company in and to any and all of its service marks and trade names, which the Agency may then be using.
- C. The Agency will not in any manner encumber, alienate, license, or transfer to any other entity any right whatsoever concerning the service marks or trade names the Company authorizes the Agency to use in the performance of this Agreement, except as specifically permitted in writing by the Company.
- D. Agency recognizes that a breach of the foregoing provisions will cause irreparable damage to the Company's business and such damage is difficult or impossible to measure. In the event of such breach, the Agency agrees that the Company, in addition to such other rights and remedies it may have, will be immediately entitled to an order granting injunctive relief from any court of competent jurisdiction against any act which would violate any such provision, without the necessity of posting a bond, and Agency waives any defense to an application for such order, except that the violation did not occur. Agency agrees the Company will be entitled to an award of reasonable attorneys' fees in the event it is successful in an application for injunctive relief or in an action based upon breach of the foregoing provisions.

## **IX. COMPANY PROPERTY AND CONFIDENTIAL INFORMATION**

- A. The Agency agrees that all materials furnished to it by the Company including manuals, computer programs, records, and any derivative reports are Company property and may contain confidential information. In addition, the Agency agrees that Company property includes, but is not limited to: Confidential Information, as defined in Paragraph B. below. All Company property, including but not limited to the property listed in Paragraph B, must be surrendered to the Company upon demand or termination of this Agreement.
- B. Confidential Information of the Company includes, but is not limited to:
  - i. Business plans of the Company.
  - ii. Trade secrets owned by the Company.

- iii. The Company's computer systems, software, and forms, any output generated by the Company's proprietary computer systems containing data not owned by the Agency, and any media, whether provided by the Agency or the Company, containing the Company's confidential information; and
  - iv. With respect to all business vested in the Company pursuant to Section IV.F, information regarding: names, addresses, and ages of policyholders of the Company; types of policies; amounts of insurance; premium amounts; the description and location of insured property; policy expiration or renewal dates; policyholder listings and any policyholder information subject to any privacy law, which was acquired or came into Agency's possession during the term of this Agreement (collectively "Expiration Information") shall be Confidential Information of the Company; and with respect to all business that is not vested in the Company pursuant to Section IV.F, all Expiration Information shall be the confidential information of Agency.
- C. Confidential Information of the Agency includes, but is not limited to:
  - i. Business plans of the Agency.
  - ii. Trade secrets owned by the Agency.
  - iii. The Agency's computer systems, software, and forms, any output generated by the Agency's proprietary computer systems containing data not owned by the Company, and any media, whether provided by the Agency or the Company, containing the Agency's confidential information.
- D. Each Party to this Agreement (the "Receiving Party") agrees that it will not, at any time, or in any manner, directly or indirectly, disclose to any third party or permit any third party to access any confidential information of the other party (the "Disclosing Party") except upon direct written authority of the Disclosing Party. Each Receiving Party agrees that it will not use, or permit to be used, the confidential information of the Disclosing Party or any information obtained or derived therefrom in any manner, directly or indirectly, other than in the performance of this Agreement.
- E. Upon termination of this Agreement, each Receiving Party agrees to continue to treat as confidential any information concerning any matters affecting or relating to the pursuits of the Disclosing Party that is not otherwise lawfully available to the public.
- F. Each Receiving Party recognizes that a breach of the foregoing provisions will cause irreparable damage to the Disclosing Party's business and that such damage is difficult or impossible to measure. In the event of such breach, the Receiving Party agrees that the Disclosing Party, in addition to such other rights and remedies it may have, will be immediately entitled to an order granting injunctive relief from any court of competent jurisdiction against any act which would violate any such provision, without the necessity of posting a bond, and the Receiving Party waives any defense to an application for such order, except that the violation did not occur. The Receiving Party agrees that the Disclosing Party will be entitled to an award of reasonable attorneys' fees if it is successful in an application for injunctive relief or in an action based upon breach of the foregoing provisions.

#### **X. CHANGE OF LEGAL ENTITY, SALE, TRANSFER, OR MERGER**

- A. The Agency agrees to notify the Company prior to any change in the way it is legally organized or a sale, transfer, assignment, or merger of the Agency's business. Upon receipt of this notice, the Company may, at its election:
  - i. Agree to an assignment of this Agreement to the successor;
  - ii. Enter into a new Agreement with the successor; or
  - iii. Terminate the Agreement by providing written notice to the Agency that the termination will be effective the date of the sale, transfer, merger, or a change in the way the Agency is legally organized.
- B. Agency agrees that, should it:
  - i. Sell, merge, or otherwise transfer its business; or
  - ii. Change the way it is legally organized.
 the Agency will satisfy any indebtedness owed by the Agency to the Company prior to taking such action or contractually obligate the transferee to assume any indebtedness owed by the Agency to the Company at the time of the sale, transfer, or merger.

#### **XI. TERMINATION OF AGREEMENT**

- A. This Agreement may be terminated:
  - i. At any time by written mutual agreement of the parties.
  - ii. By the Company, upon giving notice as provided in Section X.A.iii., above.

- iii. By either party, with or without cause, upon providing ninety (90) days prior written notice to the other, or such greater number of days as is required by law in the state in which the Agency holds a resident license; or
  - iv. Alternatively, by the Company, with cause, immediately upon providing written notice to the Agency. Cause includes, but is not limited to, breach of the Agreement, fraud, forgery, misrepresentation, conviction of a felony, or improperly inducing or attempting to induce life insurance policyholders or annuity contract owners to relinquish their policies or contracts.
- B. This Agreement will be terminated automatically:
- i. Upon the cancellation or non-renewal of any license necessary to operate as an agency in all states in which the Agency is licensed and appointed to conduct business under this Agreement; or
  - ii. Upon the Company's surrender of or the election not to renew its license to sell insurance in all lines in all states in which the Agency is licensed as an agent or agency or the discontinuance of the sales of insurance in those states.

## **XII. OBLIGATIONS UPON TERMINATION**

- A. If this Agreement is terminated:
- i. Life policies and annuity contracts will continue in force until terminated, lapsed, or surrendered in accordance with the terms of the policy or contract.
  - ii. Flood policies written under the Company's "write your own policy" program shall be continued in force until the next anniversary date; and
  - iii. All property and casualty policies shall be continued in force until the next anniversary date and then granted one renewal term unless the policyholder fails to pay the premiums or does not meet the Company's then current underwriting guidelines.
- Nothing in Paragraphs i. through iii., above, shall interfere with the Company's obligation to renew, offer, or solicit the renewal of policies containing contractual renewal guarantees or which must be renewed or offered renewal pursuant to state law, regulation, or by order of government authority.
- B. Upon the termination of this Agreement, commissions will be paid as follows:
- i. Commissions for life insurance policies and annuity contracts will be paid for as long as a policy remains in force up to a maximum of ten (10) years following the effective date of termination of this Agreement.
  - ii. Notwithstanding Paragraphs i. and ii., above, no compensation will be paid to the Agency following the effective date of termination if this Agreement is terminated: by the Company pursuant to Section XI.A.iv., above; because the Agency's business has been sold, transferred, merged, or the Agency has changed the way it is legally organized, and the successor is appointed to write new business by the Company; or because a public authority canceled or declined to renew any license held by the Agency necessary to operate as an agent, unless required by law.
- C. If this Agreement is terminated with cause or because a public authority canceled or declined to renew any license held by the Agency necessary to operate as an agent, the Agency shall immediately cease to represent the Company in any capacity. If, however, this Agreement is otherwise terminated, the Agency shall remain a representative of the Company, subject to all of the provisions of this Agreement, only with respect to the servicing of policies continued in force or renewed after the termination of this Agreement. The Agency shall not, without the prior approval of the Company, solicit or bind any new risk or increase or extend the Company's liability under, or alter the terms of, any such policy without prior Company approval.
- D. Any manuals, computer programs or equipment, records, derivative reports, unused applications, claims drafts, and other supplies furnished by the Company to the Agency shall always remain Company property and shall be accounted for and returned by the Agency to the Company on demand.
- E. At the Agency's request, the Company will provide the Agency with a record of the Agency's policies in force, expiration dates, and details of coverage.

## **XIII. ARBITRATION**

In the event of any dispute arising out of or under this Agreement between the Agency and the Company, the Agency and the Company shall make every reasonable effort to resolve such dispute in good faith. If the parties cannot agree on resolution, then both parties agree to submit any such dispute, other than the right of the Company to terminate this Agreement pursuant to Section XI. or

collect any indebtedness owed by the Agency pursuant to Section IV., to arbitration. Arbitration expenses will be borne equally. There will be three arbitrators: one will be selected by the Agency; the Company will select one; and those two arbitrators will select a third. In the event that the arbitrators so chosen do not agree as to the third arbitrator, the third arbitrator shall be chosen by the American Arbitration Association or any other mutually agreeable dispute resolution organization. The determination of the arbitrators will be final and binding on all parties hereto.

#### **XIV. GENERAL PROVISIONS**

- A. Except as otherwise provided herein, this Agreement may be amended or revised only by a written agreement between the Company and Agency which expressly states that it modifies this Agreement. No other written statements, representations, or agreements, and no oral statements, representations, or agreements will be effective to modify this Agreement.
- B. The descriptive headings of this Agreement are intended for reference only and will not affect the construction or interpretation of this Agreement.
- C. If any provision or part of this Agreement is determined to be invalid or otherwise unenforceable under law, the remaining provisions and parts will not be affected and shall remain in full force and effect.
- D. The failure of either party to insist upon the performance of any of the terms of this Agreement in any one or more instances will not be construed as a waiver or relinquishment of the future performance of any such term. The obligation of the parties with respect to any such future performance will continue in full force and effect.
- E. This Agreement may be executed in counterparts in one or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

#### **XV. NOTICE**

All notices required or permitted under this Agreement shall be in writing and deemed given when deposited with the United States Postal Service and sent by Certified Mail, Return Receipt Requested, or when deposited with any nationally recognized overnight carrier, or upon receipt if hand delivered to any one of our Company offices.

#### **AGREEMENT**

IN WITNESS WHEREOF, the Parties hereby accept the terms of the Agreement and execute the Agreement by their authorized representatives as of the Effective Date.

**COMPANY:**

**AGENCY:**



By: Aaron Kuluk  
Executive Vice President, Sales & Distribution  
(Authorized Company Representative)

By: \_\_\_\_\_  
(Authorized Agency Representative)

## SCHEDULE

This Schedule is hereby attached to and made a part of the Agency Agreement between the Agency and the Company. The Company reserves the right to add, withdraw, or change one or more companies party to the Agency Agreement from time to time. No such action shall constitute a termination of the Agency Agreement or any of its provisions.

### **NAT GEN**

Agent Alliance Insurance Company  
Century-National Insurance Company  
Direct Insurance Company  
Direct General Insurance Company  
Direct General Insurance Company of Mississippi  
Direct National Insurance Company  
Direct General Life Insurance Company  
Imperial Fire & Casualty Insurance Company  
Integon Casualty Insurance Company  
Integon General Insurance Corporation  
Integon Indemnity Corporation  
Integon National Insurance Company  
Integon Preferred Insurance Company  
MIC General Insurance Corporation  
National Farmers Union Property and Casualty Company  
National General Assurance Company  
National General Insurance Company  
National General Insurance Online, Inc.  
National General Motor Club, Inc. (formerly GM Motor Club, Inc.)  
National General Premier Insurance Company (formerly Personal Express Insurance Company)  
National Health Insurance Company  
New South Insurance Company  
Standard Property and Casualty Insurance Company (formerly Standard Mutual Ins. Co.)

### **RECIPROCAL COMPANIES**

Adirondack Insurance Exchange  
Mountain Valley Indemnity Company  
New Jersey Skylands Insurance Association\

### **ENCOMPASS**

Encompass Insurance Company  
Encompass Insurance Company of America  
Encompass Indemnity Company  
Encompass Property and Casualty Company  
Encompass Independent Insurance Company  
Encompass Home and Auto Insurance Company  
Encompass Insurance Company of Massachusetts  
Encompass Floridian Insurance Company  
Encompass Floridian Indemnity Company  
Encompass Property and Casualty Insurance Company of New Jersey  
Encompass Insurance Company of New Jersey

### **ALLSTATE**

#### Property & Casualty:

Allstate Insurance Company  
Allstate Indemnity Company  
Allstate Property and Casualty Insurance Company  
Allstate Fire and Casualty Insurance Company  
Allstate County Mutual Insurance Company  
Allstate Texas Lloyd's, Inc.  
Allstate Vehicle and Property Insurance Company  
Castle Key Insurance Company

Castle Key Indemnity Company  
Allstate New Jersey Insurance Company  
Allstate New Jersey Property and Casualty Company  
Northbrook Indemnity Company

Commercial Appointments Only:

Allstate Insurance Company  
Allstate Indemnity Company  
Allstate County Mutual Insurance Company  
Allstate Texas Lloyd's, Inc.  
Allstate New Jersey Insurance Company

Motor Club Appointment:

Allstate Enterprises, Inc.