

AGENCY AGREEMENT

The Company, designated as ABC Mutual Insurance Company, as now or hereafter constituted, its successors or assigns, is a party to this Agreement and is hereinafter referred to as "Company."

Agent's Name _____ Insurance Agency, LLC _____

Agent's Address _____
is a party to this Agreement and is hereinafter called the "Agent".

1. **DURATION OF AGREEMENT**

This Agreement shall take effect on _____, and shall continue in force until termination as herein provided.

2. **AGENT TO ACT AS INDEPENDENT CONTRACTOR**

The agent shall act as an independent contractor and nothing contained herein shall be construed to create the relation of employer and employee between the Company and the Agent or between the Company and any subagent.

The agent shall be free to use his/her own judgment as to the person from whom he will solicit insurance and the time and place of solicitation. The Agent shall have the fullest discretion as to the methods and means of operation of his/her own agency; however, the authority of the Agency under this Agreement shall not extend to or affect the general practices and policies of the Company.

3. **AGENT TO PAY ALL EXPENSES OF AGENCY**

The Agent shall pay all expenses incurred by him in the performance of this Agreement.

4. **ERRORS AND OMISSIONS INSURANCE**

The Agent shall, at his/her own expense, keep in force and effect, errors and omissions insurance at a minimum amount of \$500,000.00.

5. **CONDUCT OF AGENT**

The Agent shall so conduct himself/herself as not to adversely affect the business, good standing or reputation of the Company. The Agent shall do all things which may properly be required of an agent. He shall be diligent and faithful in the performance of his/her duties, shall comply with the insurance laws of the State of Wisconsin, shall represent the company's interests in good faith, and shall be governed by the instructions of the Company in the discharge of all of his/her duties. In the event of breach of this provision of the contract, the agent and agency shall forfeit any and all rights to renewal business, and all expirations shall become property of the company.

6. **PROHIBITIONS**

This Agreement is not transferable. No rights or interests arising there from shall be subject to assignment except with the written consent of the Company.

The Agent is forbidden to incur any indebtedness in the name of or on behalf of the Company for advertising, office rent, clerical help, or any other purpose whatsoever, without first obtaining the written consent of the Secretary-Treasurer of the Company. The Agent shall not insert any advertisements respecting the Company in any publications or issue any circular or paper referring to the Company without first obtaining the written consent of the above officer of the Company.

The Agent shall not institute legal proceedings for any cause in connection with the transaction of the Company's business, unless such action shall have been approved in advance by the Company.

7. ***UNAUTHORIZED ACTS***
The Agent shall indemnify and save the Company harmless from all costs, causes of action, and damages resulting from unauthorized acts or transactions by him, his/her employees, or agents under contract with him/her.
8. ***LIMITATIONS OF AGENT'S AUTHORITY***
The Agent shall not make, alter, or discharge contracts for the Company or waive forfeitures, grant permits, name extra rates for special risks, attempt to commit the Company to the payment of any claim, or bind the Company in any way not specifically authorized in the written rules and regulations of the Company; he shall not, under any circumstances, make any endorsement on the policies of the Company. The authority of the Agent shall extend no further than is expressly stated in this Agreement and the General Rules, Duties and Authority of Agents.
9. ***AGENT'S CLAIM AUTHORITY***
The Agent shall not commit the Company to liability for any claim or adjustment without specific authorization thereof; and the Agent shall indemnify and hold harmless the Company from any claims or liabilities arising from any unauthorized commitments by the Agent.
10. ***COMPANY FUNDS***
All money or things of value received or collected for the Company under this Agreement are the property of the Company. These funds shall be received and held by the Agent in a fiduciary capacity, and not intermingled with personal or other funds, or be used for personal or any other purpose whatsoever, but shall immediately be reported and transmitted to the Company.

The Agent shall be liable to the Company for the loss by accident, theft, or otherwise of any money or things of value belonging to the Company and coming into his/her possession or control, or into the possession or control of his/her employees.
11. ***OWNERSHIP OF POLICY FORMS***
Policy forms, maps, rate books, and other like Company supplies furnished to the Agent by the Company shall remain the property of the Company, and shall be returned to the Company or its representatives promptly on demand.
12. ***FORM OF POLICIES***
The Company may prescribe the form, plan and character of policies for which applications may be solicited, and may from time to time change or discontinue any form, plan or character of policy now or hereafter in use.
13. ***CANCELLATION OF POLICIES***
Nothing contained in this Agreement shall be construed as limiting or restricting the right of the Company to cancel any policy or policies of insurance issued under this Agreement and the Company reserves the right to decline to accept any particular risk or class of risk.
14. ***TERMINATION BY WRITTEN NOTICE***
This Agreement may be terminated at any time by the giving of 60 days notice in writing by either party to the other party. Termination shall take effect from the expiration of the notice so given, and neither party shall have any claim or right against the other for any alleged loss of prospective profits or commissions or any damage alleged to be caused in the future to the business of either party by such termination. In the case of termination, however, the Agent will at the request of the Company, pursue and complete unfinished matters of business falling under this Agreement and such termination shall not change the liability of the Agent to the Company for return commissions on unpaid policies or for any work, business or transaction done prior to the termination of this Agreement.

This Agreement shall terminate if at any time the license granted to the Agent from the State of Wisconsin shall be canceled or revoked.

The Company may terminate this Agreement without notice for fraud or misconduct on the part of the Agent, or if the Agent shall fail to comply with the applicable insurance laws of any State of the United States of America, or with the regulations of the Department or Commissioner of Insurance of any State.

15. ***RIGHTS ON TERMINATION***

In the event of termination of this Agreement, the Agent shall promptly account for and pay over all sums for which he may be liable to the Company; provided further that the Agent acknowledges that the policyholders are owners of the Company as members of a Wisconsin Town Mutual, and Agent will not in any way attempt to have such policyholders transfer or cancel their insurance policies with the Company until the expiration of the policy in force at the time of termination of this Agreement. It is further provided that at the expiration of a policy in force both Agent and Company shall have the right to contact such policyholder-member to solicit future insurance business.

16. ***VIOLATION OF TERMS OF AGREEMENT***

If the Agent neglects to report and pay over premium collected by him as provided in Article 10 herein, or otherwise violates any of the provisions of this Agreement, all of his/her rights hereunder and under previous contracts with the Company, including the right to commissions on all premiums payable thereafter and on the renewals of all policies written hereunder and any previous agreements with the Company, shall forthwith terminate.

On termination of this Agreement for any reason, all rights and interests of the Agent hereunder as to any policies then standing to his/her credit hereunder and as to all commissions or compensation for premiums thereafter paid on such policies shall immediately terminate.

17. ***PREMIUM ACCOUNTING***

The Agent and the Company shall comply with the following accounting procedures on business placed by the Agent with the Company, and, in addition, it is agreed that:

A. Itemized statements will be sent to the Agent at the end of each month showing insurance written and/or credited to the Agent, the commissions for it, return premiums and return commissions. Commission checks will be issued to the agency along with the itemized statement on the last day of each month or within three business days. Commissions will not be allowed on any policy until the premium is paid in full. Commissions will not be paid on any policy for which a renewal or rewrite application has been requested by the Company and not completed by the Agent.

B. The Company will bill the policyholders directly for all new and renewal premiums and will also bill or refund by check any endorsement premiums. The omission of any item(s) from a monthly statement shall not affect the responsibility of either party to account for and pay all amounts due the other, nor shall it prejudice the rights of either party to collect all such amounts due from the other.

C. The Agent is authorized to advance premiums on behalf of the policyholders, in which event the Agent accepts full responsibility for such premiums.

D. The Company shall have access at all reasonable times to the Agent's books and records for the purpose of determining any fact relating to money due the Company on business placed with the Company by the Agent.

18. ***PRODUCTION***

The Agent shall be expected to write a minimum of \$5,000.00 premium (new and renewal) annually.

19. **RATE SCHEDULE**

The Agent shall receive commissions on new and renewal premiums collected on policies issued on applications solicited by the Agent, his/her employees, or subagents, pursuant to this Agreement. Commissions shall be computed on the full regular premiums as stated in the policies, and shall be paid according to the Commissions Schedule attached, at the end of each month.

The Company may change the rates of first year and renewal commissions allowed by this Agreement, and may fix rates of first and renewal commissions on any plan, type or form of insurance contract adopted by the Company subsequent to the date hereof by giving the Agent 60 days advance written notice.

20. **AGENCY SALE OR TRANSFER**

The Agent is to give 60 days advance written notice to the Company of impending sale or transfer of his/her business or its consolidation with a successor firm, in order that the Company may take whatever steps are necessary to avoid any interruption in service to policyholders. The Company may, at its election, take one of the four options as outlined in paragraph 21.

21. **COMPANY OPTIONS**

In the event of sale of the agency, death or retirement of the Agent, the Company shall have the following options:

1. The Company's first option will be to purchase the renewal business at mutually agreeable terms. If the agency and the Company cannot agree on mutually agreeable terms, each shall appoint an arbitrator with the arbitrators appointing a third to establish the value of the renewal business. If the Company does purchase the renewal business, the agent shall turn over all expiration lists of Company policyholders to the Company. The Company shall pay to the agent or his/her personal representative the mutually agreeable compensation.

In the event the Company does not purchase the renewal business, then the company may, at its option, exercise the following second option:

2. To assign this agreement to the successor. If the Company does not elect this second option, then it may elect the following third option:

3. To enter into a new agency agreement with a successor. If the Company does not elect this third option, then it may elect the following fourth option:

4. To place in effect a limited agency agreement with the successor in order to provide the services required.

In the event the Company does not purchase the expirations or exercise any of the above options, the Company agrees to provide expiration reports to the agent and, with his/her consent, to any successor in interest. The Company further agrees to cooperate in an orderly handling of all business, whether or not a successor in interest continues business with the Company. The Company further agrees to recognize the sales agreement terms between an agent and a successor in interest.

If the Agent is indebted to the Company at the time of the sale, transfer or death, the Company may retain expirations equal to the indebtedness to the Company.

IN WITNESS WHEREOF, this Agreement has been executed in duplicate this _____ day of

_____.

ABC MUTUAL INSURANCE COMPANY

BY _____

_____INSURANCE AGENCY

BY _____

If Agent is operating under a firm name, such name should be shown followed by the name and title or position of the individual signing as Agent. In the case of a partnership, the name of all partners should be shown and this agreement signed by at least one partner. If a Corporation, or a concern doing business under a name indicating incorporation, this Agreement should be signed in the name of the Corporation or concern by proper officials, under corporate seal.

CORPORATE AGENCY SUPPLEMENT

In consideration of the Company appointing this Agent and as an inducement for such appointment, I guarantee the faithful performance of the obligations listed above and assumed by the Agent and hereby bind myself to pay any money which the Agent owes the Company by virtue of this Agency Agreement.

DATE _____

INDIVIDUALLY

INDIVIDUALLY