

# MEGA Property & Casualty Group, Inc. Master Agency Agreement

Whereas MEGA Property & Casualty Group, Inc. (herein referred to as "MEGA") and

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(hereinafter referred to as "Agency") wish to enter into this Agency Agreement concerning certain responsibilities for those desiring to be a member of MEGA, MEGA and the Agency agree to the following terms and conditions:

## **Effective Date of This Agreement:**

## **Authority of Agency:**

Agency is not authorized and is expressly forbidden on behalf of MEGA to incur any indebtedness or liability or to make, alter or discharge contracts, or to waive policy provisions, make extra rates, extend the time of any premium and/or fee, extend the valid dates of any proposals.

## **Agency Responsibilities:**

Agency's primary responsibilities include the development and sale of new business, as well as the delivery and explanation of the renewal proposal of MEGA. Agency warrants it understands the Program's underwriting guidelines and procedures concerning new and renewal business and will deliver all necessary prospect information to MEGA for the timely processing of a proposal.

## **Commissions:**

Agency will receive a commission equal to a percentage of the premium of the member (see Schedule A). This commission shall be payable by MEGA to the Agency as the premiums are received by MEGA subject to any deductions therefrom that may be required. Payments shall be disbursed by the 15th of the month based upon premiums that are due and paid in the prior month.

## **Agency not Assignable:**

This Agreement shall not be assigned or transferred either in whole or in part, without the written consent of MEGA.

**Errors and Omissions:**

Agency agrees to furnish a copy of their errors and omissions coverage to MEGA. Said coverage shall be maintained at a minimum of \$1,000,000. Further, Agency agrees to furnish MEGA all amendments and/or endorsements pertaining to such coverage and will provide a certificate of coverage upon request.

**Indemnity Agreement:**

Agency hereby agrees to save, indemnify and hold harmless MEGA from any and all liabilities of any kind or nature whatsoever, whether fixed, contingent, liquidated or unliquidated occurring or arising prior to the date of this Agreement, in connection with the management, conduct or operations of Agency's business.

During and after this Agreement, Agency agrees to save, indemnify and hold harmless MEGA from any and all claims or liabilities of any kind or nature whatsoever, including reasonable attorney's fees incurred by MEGA, as a result of misconduct, errors or omissions of Agency or its employees or affiliates in connection with the performance of this agreement.

MEGA hereby agrees to save, indemnify and hold harmless Agency from any and all liabilities of any kind or nature whatsoever, whether fixed, contingent, liquidated or unliquidated occurring or arising prior to the date of this Agreement, in connection with the management, conduct or operations of MEGA's business.

During and after this Agreement, MEGA agrees to save, indemnify and hold harmless Agency from any and all claims or liabilities of any kind or nature whatsoever, including reasonable attorney's fees incurred by Agency, as a result of misconduct, errors or omissions of MEGA or its employees or affiliates in connection with the performance of this Agreement.

**Termination:**

This Agreement will terminate immediately for any act of dishonesty or fraud, or in the event of any of the following:

- A. The Agency's State license(s) necessary to engage in the insurance business is not in full force and effect.
- B. The Agency ceases doing business as a going concern, becomes insolvent, makes any assignment for the benefit of creditor, or takes advantage of any law for the relief of debtors.
- C. The Agency is acquired or merged into another business entity, unless prior written consent is secured from MEGA.
- D. Cancellation or non-renewal of Agency's E&O Coverage.

In the event MEGA names a different agency through a "Broker/Agency of Record" letter, the Agency will be given ten (10) days written notice prior to the Broker/Agency of Record letter becoming effective in order for the Agency to be given an opportunity to obtain a rescinding letter. Upon the effective date of such Broker/ Agency of Record letter, Agency's rights under this contract, including the rights to any commission/fees (except earned but unpaid commission) shall thereupon cease. Agency will have no rights to future commissions due for the balance of the year or rights to renewals.

**Amendments:**

No oral promises or representations shall be binding.

No waiver or modification of this Agreement shall be effective unless it be in writing and signed by a duly authorized officer of MEGA and the Agency.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, .

MEGA PROPERTY & CASUALTY GROUP INC.

By: \_\_\_\_\_

Melanie Hagman

Its: Board of Directors, President

AGENCY NAME

By: \_\_\_\_\_

Its:

# SCHEDULE A

| <u>Member</u> | <u>Effective Date</u> | <u>Agency Commission</u> |
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