
BROKERAGE AGREEMENT

As used in this Agreement, CyberStone Insurance Services, LLC (referred to herein as "CyberStone Insurance") shall refer to any business unit or entity that may be affiliated through common ownership and/or managed by CyberStone Insurance Services, LLC as agent for maintaining Producer relationships. This Agreement is entered into between CyberStone Insurance Services, LLC and _____ (referred to herein as "Producer").

WHEREAS, Producer is desirous of placing contracts of insurance through companies represented by CyberStone Insurance Services, LLC (those companies referred to herein as "Insurer") and utilizing the underwriting facilities, knowledge, and services of CyberStone Insurance Services, LLC; and in consideration of CyberStone Insurance Services, LLC placing risks of Producer's clients (referred to herein as "Insured") from time to time with an Insurer or Insurers, and for the mutual promises and covenants set forth in this document, it is agreed as follows:

AUTHORITY

Producer is an agent for the applicant, and acts on behalf of the applicant for insurance, and is not acting as an agent, sub-agent or broker for CyberStone Insurance Services, LLC. This Agreement and the relationship between the parties and their officers and employees is not intended, and shall not be construed, to create a partnership, joint venture or employment relationship between CyberStone Insurance Services, LLC and Producer. Producer is for all purposes an independent contractor.

CyberStone Insurance Services, LLC shall be the sole judge of whether to accept, reject, or submit to Insurer for acceptance any applications of insurance for risks submitted by Producer, and shall incur no liability for failure to place any such risk. Producer shall have no authority to bind any Insurer for CyberStone Insurance Services, LLC, commit to or issue binders, policies, or other written evidence of insurance on behalf of CyberStone Insurance Services, LLC, or to make representations not strictly in accordance with the provisions of the policies and contracts placed under the terms of this Agreement. Producer shall not make, alter or vary any terms of coverage, or modify terms of payment of any premium or deposit, or incur any liability for CyberStone Insurance Services, LLC.

RESPONSIBILITY

Producer warrants and represents that Producer is properly licensed to transact business as an agent or broker in accordance with the insurance laws, rules and regulations of each state in which Producer transacts business. Producer will maintain such license or licenses in good standing for the duration of this Agreement and will furnish proof of such licensing upon request by CyberStone Insurance Services, LLC. Producer will promptly notify CyberStone Insurance Services, LLC of any suspension, cancellation or disciplinary action in respect of its license(s).

SURPLUS LINES INSURANCE

Producer shall not place an order with CyberStone Insurance Services, LLC for any excess or surplus lines insurance unless Producer shall have first complied with any applicable state laws requiring the Producer to attempt to procure such insurance from insurers authorized to do business in that State(s), and the Producer is properly licensed in that State(s). The party responsible for the payment of surplus lines taxes shall also be responsible for full compliance with all relevant surplus lines laws of the pertinent State(s), including but not limited to the collection and payment of surplus lines taxes, filing of affidavits, and

providing the appropriate statutory and/or regulatory disclosure legends on all documents. Where CyberStone Insurance Services, LLC is responsible for filing surplus lines taxes, all required forms, documents and paperwork must be provided by Producer to CyberStone Insurance Services, LLC in a timely manner to allow for the prompt filing of the surplus lines taxes.

PREMIUM AND ACCOUNTS

Producer guarantees the full payment due CyberStone Insurance Services, LLC of all premiums including deposit, earned, extension and adjustable premiums, fees, plus applicable state and local taxes, less commission, on every insurance contract bound or written for Producer pursuant to this Agreement. Producer shall be liable to CyberStone Insurance Services, LLC for the payment of all premiums, fees and taxes whether or not collected by the Producer. CyberStone Insurance Services, LLC shall allow Producer, as commission, a percentage of the premium written at the rate agreed upon by CyberStone Insurance Services, LLC and Producer from time to time.

CyberStone Insurance Services, LLC billings may take the form of binders, invoices or statements. The net balance will be due and payable as indicated on such billings and may vary based upon the credit terms of the issuing company. The omission of any item(s) from a monthly statement or separate invoice shall not: (1) affect the Producer's responsibility to account for and pay all amounts due; (2) prejudice the rights of CyberStone Insurance Services, LLC to collect all amounts due from Producer; or (3) extend the time within which Producer must make payment. Producer's obligation to make payment to CyberStone Insurance Services, LLC is not contingent upon the issuance of a policy. Any credit extended to the Insured or others shall be at the sole risk and responsibility of the Producer unless agreed to in writing by CyberStone Insurance Services, LLC.

FUNDS HELD IN TRUST

Producer shall hold funds in a fiduciary account for business generated under this Agreement to the extent required by the insurance laws of each state in which Producer conducts business. Provided Producer is in compliance with all terms of this Agreement, Producer shall be entitled to any interest earned on said funds while so held by the Producer.

CLAIMS

Producer shall notify CyberStone Insurance Services, LLC promptly of any claims, suits or notices of loss (or circumstances which might reasonably be expected to result in a claim, suit or notice of loss) and shall cooperate fully with CyberStone Insurance Services, LLC to facilitate the investigation and adjustment of any claim when and as requested by CyberStone Insurance Services, LLC.

ADJUSTABLE PREMIUMS

Notwithstanding anything to the contrary herein set forth, in the situation where premiums for a policy or policies which have been issued cannot be fully determined in advance, and where an adjustment or determination is made by an audit, retrospective rating or by interim reports, such premiums are fully earned and due at the invoice date as evidenced by a CyberStone Insurance Services, LLC or insurance company invoice. Producer will make all reasonable efforts to collect amounts due. Producer will be relieved of responsibility for premium so adjusted or determined if Producer notifies CyberStone Insurance Services, LLC in writing within 20 days after said invoice date, stating that Producer has made diligent efforts and is unable to collect such premiums, and provided the Insurer releases CyberStone Insurance Services, LLC of liability for such premium. A copy of the Producer's invoice to the Insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure to give CyberStone Insurance Services, LLC timely notice shall constitute Producer's acceptance of

responsibility to pay such premiums. If commission applies to these adjustments, none will be allowed to Producer on premiums collected directly by CyberStone Insurance Services, LLC or Insurer under this provision.

OWNERSHIP OF EXPIRATIONS

In the event of termination of this Agreement, and provided Producer has accounted for and paid to CyberStone Insurance Services, LLC all premiums and other monies due in accordance with the terms of this Agreement, the use and control of expirations on business written under this Agreement shall remain the property of the Producer. If a proper accounting and payment has not been made, the ownership of the records and the ownership of the right of use and control of the expirations shall vest in CyberStone Insurance Services, LLC.

DIRECT COLLECTION

If, after the expiration of sixty (60) days from the date liability was assumed by the insurance carrier, CyberStone Insurance Services, LLC has not received payment due for the applicable coverage, CyberStone Insurance Services, LLC may, at its option, collect from the Insured the premium due.

In the event CyberStone Insurance Services, LLC collects the premium or any part thereof from the Insured, Producer shall not be entitled to any commission on the premium so collected. Attempts by CyberStone Insurance Services, LLC to collect from the Insured shall not relieve Producer of liability to CyberStone Insurance Services, LLC except to the extent of amounts actually collected by CyberStone Insurance Services, LLC from the Insured, less the expense of such collection.

COLLECTION OF AMOUNTS

In the event CyberStone Insurance Services, LLC shall have to bring any action or proceeding to enforce collection of any amount due under the terms of this Agreement, Producer agrees to pay all costs incident thereto, including reasonable attorneys' fees and expenses, incurred by reason of such action or proceeding.

CANCELLATION OF INSURANCE

CyberStone Insurance Services, LLC will not recognize flat cancellations unless: (1) written evidence of coverage prior to the inception date of the contract for insurance is provided; and (2) such credit has been granted CyberStone Insurance Services, LLC by its Insurer. Earned premium shall be computed and charged on every binder, policy or contract cancelled after the inception date in accordance with the cancellation provision of the applicable contract and/or rules of the Insurer. If Producer does not make timely payment of any sums due CyberStone Insurance Services, LLC, then CyberStone Insurance Services, LLC may, without limitation of other remedies, initiate with Insurer to cancel the binder, policy or contract for non-payment. If coverage is bound by CyberStone Insurance Services, LLC, all additional fees charged by CyberStone Insurance Services, LLC for the entire policy term shall be fully earned upon binding. Producer hereby acknowledges that CyberStone Insurance Services, LLC, or its Insurers, is under no duty to reinstate a policy if the policy is cancelled.

Producer deposits made directly to CyberStone Insurance Services, LLC lock box for payment on a delinquent account will not constitute acceptance of these funds by CyberStone Insurance Services, LLC with regard to reinstating any policy being cancelled. Producer shall not accept from Insured the late payment of premiums with prior knowledge, whether actual or constructive, that the policy for which the late premiums have been collected is cancelled. CyberStone Insurance Services, LLC will be under no

obligation to give Producer advance notice of expiration of any policies which Producer, from time to time, procures through CyberStone Insurance Services, LLC.

UNEARNED COMMISSIONS

Producer shall be liable to CyberStone Insurance Services, LLC and shall pay return commissions at the same rate as originally allowed to Producer for all return premium adjustments or cancellations, including return premium on cancellations ordered or made by the Insurer or Finance Company. Such return commission shall be paid to CyberStone Insurance Services, LLC by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and CyberStone Insurance Services, LLC has been issued a credit, or payment has been rendered for such premium by CyberStone Insurance Services, LLC's Insurer, CyberStone Insurance Services, LLC will pay to Producer such return premium less the unearned portion of any commission previously retained by the Producer.

FINANCED PREMIUMS

On all premiums which have been financed, CyberStone Insurance Services, LLC will remit payment for any return premium, less unearned commission, directly to the Finance Company unless otherwise specified. The ultimate liability of CyberStone Insurance Services, LLC for payment to a Finance Company, Producer or Insured shall never exceed the amount of return premium less unearned commission developed. Producer agrees to hold CyberStone Insurance Services, LLC harmless from any responsibility for payment to Finance Company, and further agrees that financing arrangements do not diminish the responsibility for the timely payment of premium by the Producer.

ADVERTISING

Producer shall not cause any advertisement referring to or using the name of CyberStone Insurance Services, LLC or Insurer, or issue or cause to have issued any letter, circular, pamphlet, or other publication or statement so referring, without the express written consent of CyberStone Insurance Services, LLC. In the event CyberStone Insurance Services, LLC suffers a loss or expense arising out of any unauthorized advertisement, publication or statement of the Producer, the Producer shall be liable for and hereby agrees to indemnify CyberStone Insurance Services, LLC and hold CyberStone Insurance Services, LLC harmless from all resulting damages, fines, penalties and costs.

WAIVER OR DEFAULT

Failure of CyberStone Insurance Services, LLC to enforce any provision of this Agreement or to terminate it because of a breach hereof shall not be deemed to be a waiver of such provisions or of any breach committed by the Producer.

SEVERABILITY

If any clause or provision of this Agreement shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision, which shall remain in full force and effect. Each of the provisions of the Agreement shall be enforceable independently of any other provision unless expressed otherwise herein.

NO RESPONSIBILITY OR GUARANTEE

Producer understands that CyberStone Insurance Services, LLC assumes no responsibility toward any policy with regard to the adequacy, amount or form of coverage, and agrees to indemnify and hold CyberStone Insurance Services, LLC harmless from any claim asserted against CyberStone Insurance Services, LLC in following the instructions of the Producer. CyberStone Insurance Services, LLC is not an

insurer and does not guarantee the financial condition of the Insurers with whom it may place risks. CyberStone Insurance Services, LLC shall have no liability for non-payment of claims due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by CyberStone Insurance Services, LLC.

PRIVACY POLICY

Neither Producer nor CyberStone Insurance Services, LLC shall disclose or use Nonpublic Personal Information (as that term and similar terms are defined in the Gramm-Leach-Bliley Act, 15 U.S.C. Section 6801 et seq., and the applicable state insurance laws and regulations enacted or adopted pursuant to the Gramm-Leach-Bliley Act [individually and collectively, the "Act"]) that is received from or collected on behalf of either party, except as necessary to permit the Parties to perform their duties under this Agreement, or as otherwise permitted or authorized by the Act. Both Parties shall implement and maintain appropriate administrative, technical and physical safeguards to protect the security, confidentiality and integrity of such Nonpublic Personal Information.

TERMINATION OF AGREEMENT

This Agreement may be terminated immediately at any time by either party giving written notice to the other by certified mail, return receipt requested. This Agreement will also terminate: (1) automatically, if any public authority cancels or declines to renew the Producer's license or certificate of authority; (2) automatically, on the effective date of the sale, transfer, or merger of Producer's business, with the provision that CyberStone Insurance Services, LLC may, upon review, appoint the successor as a Producer; or (3) immediately, upon either party giving written notice to the other of termination because of fraud, insolvency, failure to pay balances, or willful or gross misconduct. All representations and obligations of the Producer herein shall survive the termination of this Agreement.

After the date of termination of this Agreement, the Producer shall complete the collection and accounting to CyberStone Insurance Services, LLC for all premiums, commissions and other transactions unaccounted for on the date of termination or arising thereafter in respect of outstanding policies of insurance, including but not limited to return premium and return commissions. Outstanding policies will be permitted to run to expiration.

ERRORS AND OMISSIONS COVERAGE

Producer now has and shall maintain insurance agents Errors and Omissions coverage with a minimum policy limit of one million dollars (\$1,000,000) while this Agreement is in force, and will furnish proof of such coverage upon request by CyberStone Insurance Services, LLC. Producer will provide CyberStone Insurance Services, LLC with prompt written notice of any change, cancellation or other termination of this Policy.

NO RE-BROKERING

Producer shall not act as an underwriter or re-broker (double broker) for any application or policy underwritten pursuant to this Agreement without the express written consent of CyberStone Insurance Services, LLC.

MARKETING TERMS

Upon execution of this Agreement, Producer hereby consents to CyberStone Insurance Services, LLC periodically communicating with Producer via faxes and emails for product and service updates and general announcements. These communications will cease upon the termination of this Agreement by either party, or upon written notice from Producer to CyberStone Insurance Services, LLC to opt out of receiving such communications.

HOLD HARMLESS

CyberStone Insurance Services, LLC and Producer shall indemnify, defend and save harmless each other from any loss, claim, liability, damage and expense (including attorneys' fees and expenses of litigation) which each party may incur or suffer by reason of material inaccuracy of any representation or breach of any term, condition, or warranty contained in this Agreement.

ALTERNATIVE DISPUTE RESOLUTION

The parties to this Agreement hereby express that all disputes, controversies or claims of any kind and nature between the parties hereto, arising out of or in any way related to this Agreement, its interpretation, performance or breach, shall be resolved exclusively by the following dispute resolution mechanisms:

- 1. Negotiation** — The parties hereto shall first engage in a good faith effort to negotiate any such controversy or claim by communications between them. Said negotiations may be oral or written. To the extent they are oral, they must be confirmed in writing.
- 2. Mediation** — Should the above-stated negotiations be unsuccessful, the parties shall engage in mediation pursuant to the American Arbitration Association Commercial Mediation Rules, or such other mediation rule as the parties may otherwise agree to choose.
- 3. Arbitration** — Should the above-stated mediation be unsuccessful, the parties shall agree to arbitrate any such controversy or claim with the express understanding that this Agreement is affected by interstate commerce in that the goods and services which are the subject matter of this Agreement pass through interstate commerce. Said arbitration shall be conducted pursuant to the American Arbitration Association Commercial Arbitration Rules (the "Arbitration Rules") or such other arbitration rule as the parties may otherwise agree to choose.
- 4. Injunctive Relief** — Notwithstanding anything to the contrary herein, CyberStone Insurance Services, LLC shall have the right to apply at any time to a court of competent jurisdiction to enjoin any breach of this Agreement that would be deemed material and would result in immediate and irreparable injury to CyberStone Insurance Services, LLC, which is not properly or completely compensable by damages in an action at law, and to recover all costs of such action, including reasonable attorneys' fees. All of the rights and remedies of CyberStone Insurance Services, LLC hereunder shall be cumulative and not alternative.

THE PARTIES UNDERSTAND AND AGREE: (i) THAT EACH OF THEM IS WAIVING RIGHTS TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO A JURY TRIAL; (ii) THAT PRE-ARBITRATION DISCOVERY IN ARBITRATION PROCEEDINGS IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS; (iii) THAT THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING; AND (iv) EITHER PARTY'S RIGHT OF APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED. THE VENUE FOR MEDIATION AND/OR ARBITRATION UNDER THIS PARAGRAPH SHALL BE IN THE STATE OF NEW YORK.

GOVERNING LAWS

This Agreement shall be deemed to have been made and performed in Rockland County, New York, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York. The rights, duties and obligations of the parties to this Agreement, to such extent as they are not dealt with specifically or by necessary implication in this instrument, shall be in accordance with the customs prevailing in the surplus lines and special risks insurance business in the state in which the Producer is domiciled.

ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between CyberStone Insurance Services, LLC and Producer and supersedes and replaces any previous agreements between CyberStone Insurance Services, LLC and Producer. No oral promises or representations shall be binding, nor shall this Agreement be modified, except by agreement in writing and executed by CyberStone Insurance Services, LLC. This Agreement shall apply to current policies already placed through CyberStone Insurance Services, LLC and in force at the date hereof, and all future policies which may be placed by CyberStone Insurance Services, LLC for Producer.

EXECUTION AND ACCEPTANCE OF AGREEMENT

Producer acknowledges that a breach of any of the terms, conditions, or provisions of this Agreement by the Producer may give rise to a cause of action by CyberStone Insurance Services, LLC against the Producer and/or may result in disciplinary action by CyberStone Insurance Services, LLC, including but not limited to the termination of this Agreement, all in the sole discretion of CyberStone Insurance Services, LLC. Each individual who executes this Agreement in a representative capacity represents and warrants that he or she has the full right and power to execute this Agreement and to bind the entity or individuals on whose behalf he or she so signs. If the Producer is an individual, the individual must sign; if the Producer is a partnership, one of the partners must sign; if the Producer is a corporation, an authorized officer must sign and indicate the title of such authorized officer. The parties hereto agree this Agreement shall not become effective until accepted by CyberStone Insurance Services, LLC.

SIGNATURES**PRODUCER**

Producer (Print Name)

Signature

By: _____ Date: _____

Title: _____ (Must be Owner, Partner or Authorized Officer)

Witness: _____

Agreement accepted and effected by CyberStone Insurance Services, LLC:

By: _____ Date: _____

Title: _____

Please complete, sign and return this Agreement along with the following:

- A copy of your insurance license issued by your state of residence, and any state in which you wish to write.
- A copy of your E&O Policy declarations page.
- Federal Tax I.D. Number: _____ (SSN if individual).