



Lucantha Marine Insurance, LLC
BROKERAGE AGREEMENT

THIS BROKERAGE AGREEMENT (the "Agreement") is entered into as of _____, 20____ between Lucantha Marine Insurance, LLC (the "Company") and _____ (the "Broker"), the principal office of which is located at _____ in the state of _____.

WHEREAS, the Broker is a licensed insurance agent or broker in good standing with each jurisdiction in which it conducts business;

WHEREAS, the Broker desires that the Company may from time to time obtain insurance coverage on behalf of certain of the Broker's clients (each, the "Insured"), in each case at the request of the Broker; and

WHEREAS, the Company desires to extend such services to the Broker, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual agreements and covenants set forth herein, the Company and the Broker hereby agree as follows:

1. Scope of Agreement. This Agreement shall govern the relationship between the Company and the Broker with respect to (a) all policies of insurance placed by the Company on behalf of an Insured after the date hereof and (b) current in-force policies of insurance placed by the Company on behalf of an Insured prior to the date hereof, if any. Nothing contained in this Agreement shall be construed to prevent either party from entering into a similar agreement with another party.

2. Broker Obligations and Acknowledgments.

(a) The Broker represents and warrants that it is appropriately licensed as an insurance agent or broker in, and in good standing with, each jurisdiction in which the Broker conducts business. The Broker shall continue to be so licensed at all times during the term of this Agreement. The Broker shall advise the Company immediately in the event the Broker ceases to meet the requirements contained in this Section 2(a).

(b) With respect to those Insureds for which or whom the Broker requests that the Company place insurance, the Broker shall submit to the Company a completed application on a form satisfactory to the Company and such other information as the Company may request of the Broker.

(c) The Broker acknowledges that, in obtaining insurance coverage on behalf of an Insured, the Company is relying upon the accuracy and completeness of information provided by the Broker with respect to such Insured. The Broker shall disclose to the Company any information the Broker may become aware of that may be reasonably expected to affect the insurability of any Insured. The Broker acknowledges its duty to fully inform all Insureds of the terms, conditions, exclusions and limitations of any policy of insurance placed by the Company pursuant to this Agreement. The Broker acknowledges its responsibility to request proper coverages for the Insureds, review all quotes, policies and binders for accuracy and otherwise keep each Insured informed of issues relating to the insurance of such Insured. The Broker acknowledges that insurance coverages placed by the Company pursuant to this Agreement are for a definite period, as specified in the underlying policy of insurance. The Company shall not be obligated to notify the Broker of the expiration of any such policy.

(d) Nothing contained in this Agreement shall be construed to appoint the Broker as agent for the Company in any respect and the Broker shall have no authority to, and agrees that it will not, make representations on behalf of the Company or obligate the Company in any respect. Without limiting the generality of the foregoing, the Broker acknowledges that it shall have no authority to (i) accept or bind risks on behalf of the Company or any insurance carrier represented by the Company; (ii) waive, alter, modify or change any of the terms, rates or conditions of any policy of insurance placed by the Company on behalf of any Insured; or (iii) admit liability, compromise claims or accept proof of loss on behalf of the Company or any insurance carrier represented by the Company.

(e) Nothing contained in this Agreement shall be construed to create the relationship of employer-employee between the parties. The Broker shall be responsible for all expenses incurred in connection with the exercise of any duties hereunder.

(f) The Broker shall not, without the prior written authorization of the Company (which authorization may be withheld by the Company in its sole discretion), accept applications for insurance to be placed by the Company from any other insurance agent or broker.

(g) The Broker shall keep true and complete records, and shall maintain such records for periods of time equal to at least those required by each appropriate governmental authority, of all transactions to which it is party pursuant to this Agreement.

3. Coverage of Errors and Omissions. The Broker shall keep in force and effect during the term of this Agreement an errors and omissions policy of insurance covering itself, its agents, solicitors and employees having an aggregate limit in an amount not less than \$1,000,000. Upon request from the Company, the Broker shall deliver to the Company, within seven (7) business days, a certificate of insurance issued by a third party agent or broker evidencing such coverage. The Broker shall advise the Company immediately in the event the Broker's errors and omissions policy ceases to meet the requirements contained in this Section 3.

4. Ownership of Business and Expirations. The Broker shall own all insurance business of the Insureds and the use and control of all expirations with respect to insurance placed by the Company on behalf of the Insureds.

5. Premium Payment Principles.

(a) The Broker acknowledges that, as between the Broker and the Company, the Company owns all of the premiums paid or owing with respect to policies of insurance placed by the Company on behalf of an Insured, whether or not the Broker collects such premiums from such Insured. Any such premiums in the possession of the Broker shall be held in trust for the benefit of the Company.

(b) The Broker shall timely pay to the Company, and remain liable to the Company for, all premiums and taxes, if any, due with respect to policies of insurance placed by the Company on behalf of an Insured, whether or not the Broker collects such premiums and taxes, if any, from such Insured. Any credit extended to any Insured shall be the sole risk and responsibility of the Broker. The Broker hereby unconditionally guarantees full payment to the Company of the full amount of all premiums and taxes, if any, including but not limited to additional premiums developed under the circumstances described in Section 5(d).

(c) No policy of insurance placed by the Company on behalf of an Insured may be returned to the Company by the Broker for flat cancellation unless it is returned prior to the effective date of such policy and with the consent of the appropriate insurance carrier. Earned premium shall be computed and charged on every policy cancelled after inception in accordance with the cancellation provisions of such policy.

(d) If additional premiums become due with respect to any policy of insurance placed by the Company on behalf of an Insured, including but not limited to additional premiums developed by audit, the Broker shall timely pay to the Company all premiums and taxes, if any, due with respect to such policy.

(e) If, after the expiration of thirty (30) days from the effective date of the policy of insurance placed by the Company on behalf of an Insured (or less for some classes of business), the Company has not received the premium payments due to it, the Company may, at its sole option and upon written notice to the Broker, collect directly from such Insured the premium due. If the Company seeks collection of such premium (or any part thereof) from an Insured, the Broker shall not be entitled to any commission on the premium so collected. The Company shall be entitled to reimbursement from the Broker of (i) all costs, including reasonable attorneys' fees, incurred by the Company in its efforts to collect unpaid premiums and (ii) any penalties levied against the Company as a result of the Broker's failure to timely remit to the Company proper taxes and/or fees.

6. Compensation.

(a) The Company shall pay to the Broker commissions with respect to any policy of insurance placed by the Company on behalf of an Insured in accordance with the agreement of the Company and the Broker, as may be reached from time to time.

(b) If a commission is paid to the Broker with respect to a policy of insurance placed by the Company on behalf of an Insured and either (i) the policy is cancelled for any reason or (ii) a credit endorsement or other change to the policy reduces the amount of the premium paid or owing, then the Broker shall timely remit to the Company the portion of such commission or fee paid to the Broker that applies to the affected insurance. Such remittance shall be paid to the Company by the due date indicated on the applicable invoice.

(c) In the event of the termination of this Agreement for any reason, the Broker shall immediately stop performing its services described hereunder, and all obligations of the Broker hereunder shall cease immediately; provided, however, that the Broker shall be entitled to any earned but unpaid commissions through and including the date of such termination. The Broker shall have no further rights to receive any other compensation after such termination.

7. Termination Provisions:

This Agreement shall terminate:

(a) automatically on the effective date of sale, transfer, or merger of the Broker's business (whether by sale of equity or assets); provided, however, that the Company, in its sole discretion, may offer a replacement agreement to any successor that meets the Company's requirements for such agreement.

(b) upon either party giving at least sixty (60) days advance written notice to the other.

(c) immediately upon the Company giving notice to the Broker in the event of the Broker's breach of this Agreement.

(d) immediately upon either party giving written notice to the other in the event of abandonment, fraud, insolvency, or gross or willful misconduct on the part of the party (or its principals) receiving such notice.

8. Confidentiality.

(a) The Broker understands and acknowledges that during the term of this Agreement, the Broker may be given access to, and be entrusted with, trade secrets and other confidential or proprietary information concerning the business and affairs of the Company and its affiliates, their respective clients and prospective clients, and other third parties who entrust information to the Company with the understanding, express or implied, that it will be kept confidential (collectively, "Confidential Information").

(b) The Broker shall hold all Confidential Information acquired by or disclosed to the Broker in a fiduciary capacity and in the strictest confidence. During the term of this Agreement and at all times thereafter, the Broker shall not, directly or indirectly, use or disclose any Confidential Information, except (1) as may be required for the Broker to perform properly the Broker's duties and responsibilities for the benefit of the Company, as described under this Agreement, or (2) as may be required by applicable law (and in that case only after compliance with paragraph (c) below).

(c) If the Broker is required by applicable law to disclose any Confidential Information, the Broker shall notify the Company immediately in writing and shall cooperate with the Company to obtain a protective order or other remedy. If such order or other remedy is not obtained prior to the time the Broker is legally required to make the disclosure, the Broker (1) shall disclose only that portion of the Confidential Information that is legally required to be disclosed and (2) shall cooperate with the Company to obtain reliable assurance that confidential treatment will be accorded the Confidential Information required to be disclosed.

(d) The Broker acknowledges and agrees that the Confidential Information is and shall remain the sole and exclusive property of the Company, in each case whether originals or copies and whether or not paid for, serviced or produced by the Company. The Broker expressly disclaims, waives and releases all claims of right, title or ownership interest in and to the Confidential Information without further remuneration. Upon termination of this Agreement for any reason, the Broker shall promptly return to the Company all Confidential Information in the Broker's possession or under the Broker's control.

9. Indemnification of the Broker. The Company shall indemnify and hold harmless the Broker from all costs, losses, claims and expenses (including reasonable attorneys' fees) which the Broker may become obligated to pay as a result of (a) negligent acts or errors or omissions on the part of the Company and (b) a breach of this Agreement by the Company, in each case except to the extent that the Broker caused or contributed to such liability by its own negligent acts or omissions or willful misconduct.

10. Indemnification of the Company. The Broker shall indemnify and hold harmless the Company from all costs, losses, claims and expenses (including reasonable attorneys' fees) which the Company may become obligated to pay as a result of (a) negligent acts or errors or omissions on the part of the Broker or (b) a breach of this Agreement by the Broker, in each case except to the extent that the Company caused or contributed to such liability by its own negligent acts or omissions or willful misconduct.

11. Miscellaneous.

(a) Notice. All notices, requests and other communications to any party hereunder: (i) shall be in writing signed by or on behalf of the party making the same; (ii) shall be deemed to have been given:

(1) when received if delivered personally, (2) on the third business day after being deposited in the United States mail if sent by registered or certified mail, postage prepaid, return receipt requested, or (3) on the first Business Day after being deposited with a reputable overnight courier service; and (iii) shall be addressed to each party at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11(a))::

If to the Company, to:
Lucantha Marine Insurance, LLC
Lewiston Hall, Bldg IV
60 Pineland Drive, Suite 116
New Gloucester, ME 04260

If to the Broker, to:

(b) Counterparts. This Agreement may be executed and delivered (including by facsimile, “pdf” or other electronic transmission) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(c) Amendments and Waivers. This Agreement may not be amended or waived except by an instrument in writing signed, in the case of an amendment, by an authorized representative of each party to this Agreement or, in the case of a waiver, by the party against whom such waiver is to be effective. No course of conduct or failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein shall be cumulative and not exclusive of any rights or remedies provided by law.

(d) Severability. Broker agrees that all covenants and agreements set forth in this Agreement constitute a series of separate covenants and are severable. The invalidity, illegality or unenforceability of any provision of this Agreement will not affect the validity, legality and enforceability of the remaining provisions of this Agreement.

(e) Governing Law; Venue. This Agreement will be governed by, and construed in accordance with, the substantive laws of the State of Maine, without regard to its choice of law rules. The parties consent to exclusive venue and personal jurisdiction in any federal or state court located in Maine.

(f) Assignment; Successors and Assigns. This Agreement may not be assigned by the Broker without the prior written consent of the Company. The Company may assign this Agreement and its rights, remedies and obligations hereunder without prior notice to the Broker, and the Broker hereby expressly consents to any such assignment. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the parties and their successors and assigns.

(g) WAIVER OF JURY TRIAL. EACH PARTY HEREBY IRREVOCABLY, UNCONDITIONALLY AND VOLUNTARILY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(h) Attorneys’ Fees. If any lawsuit or other action is instituted to enforce this Agreement, the prevailing party will be entitled to all costs and expenses, including reasonable attorneys’ fees, incurred by it in connection with enforcing its rights hereunder.

(i) Headings. The descriptive headings of this Agreement are intended for reference only and shall not affect the construction or interpretation of this Agreement.

(j) Entire Agreement. This Agreement sets forth the entire agreement and understanding, and supersedes any and all prior or contemporaneous agreements and understandings, oral or written, between the parties regarding the subject matter hereof.

Lucantha Marine Insurance, LLC
Lewiston Hall, Bldg. IV
60 Pineland Drive, Suite 116
New Gloucester, ME 04260



IN WITNESS WHEREOF, the parties have signed this Brokerage Agreement as of the day and year first above written.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Agency Name: _____

Federal Tax ID# _____

Agency Representative: _____ Date: _____
(Signature and Title)

Witness: _____ Date: _____
(Signature and Title)

Lucantha Marine Insurance, LLC

By: _____ Date: _____
(Signature & Title)

*Please provide Dec page of current E&O policy, Producer Profile and a signed W-9
Thank You*