

**Modern Specialty  
Insurance**  
BROKER AGREEMENT

This Broker agreement ("Agreement") made this day of, 2022 by \_\_\_\_\_ and between MODERN SPECIALTY INSURANCE LTD., a Canadian corporation, having its principal office at 5500 North Service Road, Suite806, Burlington, Ontario, L7L 6A6 ("MSI") and \_\_\_\_\_, having a principal place of business at \_\_\_\_\_ ("Broker").

**Recitals**

Broker desires to submit applications for non-exclusive placement of contracts of insurance through companies represented by MSI (those companies referred to herein as "Insurer" or Insurers") and utilizing the underwriting facilities, knowledge, and services of MSI. MSI is willing to offer facilities to Broker for the placement of insurance by admitted and/or non-admitted Insurers, provided those Insurers are rated not less than A- by the A.M. Best Company. In consideration of the mutual promises contained in this Agreement, it is agreed as follows:

1. Authority. MSI hereby appoints Broker, pursuant to the terms of this Agreement, to submit applications for accounts or risks to MSI for the purpose of placement and procurement of insurance coverage with Insurers and utilizing the underwriting facilities, knowledge, and services of MSI. Broker shall advise as to the type and amount of insurance coverage to be considered for quotation. MSI assumes no responsibility, with regard to the adequacy, amount or form of coverage considered for quotation. MSI assumes no responsibility, with regard to the adequacy, amount or form of coverage requested or obtained from any Insurer provided they are in conformity with the information received from Broker. Broker's responsibility is to disclose to Insurer and MSI the existence of any conditions which Broker or insured is, or reasonably should be, aware of that could affect the insurability of the account or the amount or premium to be quoted. Broker understands that if an Insurer or MSI binds insurance coverage on an application of insurance submitted by Broker, then everyone involved relied upon the accuracy of information provided by Broker. MSI shall facilitate the proposals, quotes, terms of conditions, issuance of policies, binders, endorsements and other necessary documents, and forward same to Broker for presentation or delivery to a prospect or insured on business accepted by MSI. Broker shall prepare and sign certificates of insurance and automobile insurance identifications cards on behalf of MSI and the Insurer, and shall retain applications, certificates, signed coverage rejection forms and other correspondence with respect to the insurance written pursuant to this Agreement. 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 Broker and MSI. Broker is for all purposes an independent contractor. MSI, in its sole discretion, shall decide whether to accept, reject or submit to Insurer for acceptance, any applications of insurance for risks submitted by Broker and shall incur no liability in case of refusal to place any such risk. Nothing in this Agreement shall place MSI under any obligation to accept any proposal or new business or the renewal of existing business submitted to it by the Broker. Broker expressly recognizes that MSI maintains business, contractual or advantageous economic relationships with one or more Insurers and agrees not to interfere (or attempt to interfere) with same. Broker agrees to the following express limitations of authority:

(a) Binding Authority. Unless MSI explicitly in writing provides such authority to Broker, Broker has no authority to bind (and is specifically prohibited from binding) MSI or any of its principals or Insurers, or commit to issue binders or policies or insurance on behalf of MSI or its

Insurers or to make any representation not strictly in accordance with the proposals, quotes, policies and contracts placed pursuant to the terms of this Agreement. Broker shall not make, alter or vary any proposal, quote, terms and conditions, terms of coverage, or modify the terms of payment of any premium or deposit, or insure any liability of MSI. Broker shall act in accordance with any Insurer's policies and administrative guidelines including, but not limited to, the Insurer's practices regarding the issuance of certificates and other evidence of insurance.

(b) Co-Brokering and Territory. Broker shall not act as an underwriter, re-broker or co broker for any application submitted or insurance policy placed or procured pursuant to this Agreement without the express written consent of MSI. Broker acknowledges that nothing in this Agreement may be construed to grant to Broker any exclusivity or territory, and that due to the nature of the business contemplated herein, MSI retains (during the duration of this Agreement and thereafter) all rights to conduct in any jurisdiction at any time the business contemplated herein.

(c) Certificates and Evidence of Insurance. Broker has no authority to issue or deliver certificates of insurance or evidence of insurance relating to insurance placed pursuant to this Agreement unless: (i) such authority is expressly authorized in writing to the Broker by MSI; and (ii) such authorized certificates or evidence are strictly in accordance with the Insurer's policies and administrative guidelines and terms of this Agreement. Broker is solely responsible for the accuracy and completeness of any certificate or evidence issued.

2. Broker's Representations and Warranties. As a material inducement of MSI to enter into this Agreement, Broker represents and warrants the following:

(a) Licensing. Broker is properly licensed to transact business as a producer, an agent or broker in accordance with the insurance laws, rules and regulations of each province and territory in which Broker solicits or transacts business. Broker will maintain such license or licenses in good standing for the duration of this Agreement and will promptly furnish proof of such licensing and other documents related thereto upon request by MSI. Broker will promptly notify MSI in writing of any termination, suspension, cancellation or declination of, or disciplinary action with respect to, its license(s) or certificate of authority.

(b) Errors & Omissions Coverage. Broker now has and shall maintain (with an insurer rated not less than A- by the A.M. Best Company) agent's professional liability (Errors and Omission) insurance coverage with minimum specific (per claim) policy limit and aggregate policy limit each of Five Million Dollars (\$5,000,000), or such greater amount required by applicable provincial or territorial law, while this Agreement is in force. Broker shall furnish at any time upon request to MSI a copy of such policy commencing with the date of execution of this Agreement. This insurance to Broker must: (i) not contain exclusions relieving the professional liability carrier of liability to provide coverage for Broker's undertakings and responsibilities under this Agreement; and (ii) not be excess to any other insurance, and must be provided on a primary and non-contributory basis. Broker shall promptly notify MSI in writing of any cancellation or other termination of its coverage.

(c) Insurance Submissions and Applications. Any and all information provided

in connection with any submission to MSI or application for insurance subject to this Agreement shall be true and complete and shall contain no material misrepresentations of any kind. Broker shall ensure that all material facts and any material changes affecting the risk during the policy period and at any subsequent renewal are accurately described and completely disclosed to MSI.

1. Commissions, Fees and Premiums.

(a) Commissions and Fees. In each proposal delivered to Broker for presentation to a specific insured, MSI will set forth in writing the gross premium, and the amount (and terms) of the commission and/or fee it agrees to pay Broker on that account. The commission and/or fee payable by MSI to Broker shall be determined by the time MSI delivers the proposal and quote to Broker for presentation to the prospect or insured.

(b) Premium and Accounts. Unless advised by MSI that the insured will be directly billed by MSI or an Insurer for payment of the initial and renewal premiums, Broker shall promptly (on or before the date of policy inception) bill, collect, give receipts for, hold in trust, and properly account for the initial and renewal premiums and any applicable taxes on the business produced.

All initial and renewal premiums collected by Broker on business placed with MSI are the exclusive property of MSI. Accordingly, the Broker shall remit all initial and renewal premiums (including deposits) to MSI immediately upon binding coverage. Broker shall hold in trust and deposit these funds directly into a general trust account maintained in accordance with the laws of the province or territory in which the Broker conducts business. The trust funds so held for MSI may be used by the Broker to pay, return and refund the initial and renewal premiums, only as and when authorized by MSI in writing, to an insured. Broker shall make no deductions from these funds before making payment to MSI, except for earned commissions and/or fees previously authorized. Broker agrees to return promptly to MSI (or to the premium finance company as the case requires) any unearned commission and/or fee retained by, or paid to, Broker on the initial and renewal premiums refunded under

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any policy by reason of cancellation or otherwise, whether the refund is made during the term of this Agreement or thereafter.

All initial and renewal premiums, applicable taxes, fees, commissions and surcharges on insurance policies written through MSI are due and payable by Broker to MSI in accordance with this Agreement and the proposal or quote delivered to Broker for presentation to the insured. MSI shall provide Broker with the applicable terms of payment, which are subject to change by MSI at any time upon written notice of such change to Broker. Any credit extended by Broker to the insured shall be at the Broker's own risk and expense. If Broker fails to remit any of the initial and renewal premiums or other required amount to MSI by the due date, as provided herein, MSI may request the Insurer to cancel the policy by giving notice to the insured of its intent to do so. Broker shall not be entitled to any commission and/or fee on the initial and renewal premiums if such policy is cancelled.

Broker shall maintain a complete and separate record (by insured and policy) of billing and accounting transactions involving MSI, including copies of all policies, endorsements and modifications issued by MSI. All such records shall be open to inspection by MSI or its authorized representatives at all times, and Broker shall promptly cooperate with any request by MSI for same.

Broker shall accept MSI's bill terms and conditions, which may take the form of a binder, invoice, statement, quote or proposal. Broker shall accept MSI's bill terms and conditions, which may take the form of a binder, invoice, statement, quote or proposal. All monies due by the Broker to the Company or by the Company to the Broker each month, less the commission, shall be paid within sixty (60) days from the end of the month in which the contracts of insurance are written or cancelled. The net balance due as shown on the bill shall be paid by the due date, irrespective of whether a policy has been delivered to Broker or to the insured by that date. The net balance will be due and payable under the terms indicated on MSI's billings and may vary based upon the credit terms of the issuing Insurer. The omission of

any item(s) from a monthly statement or separate invoice shall not (1) affect the Broker's responsibility to account for and pay all amounts due; (2) prejudice the rights of MSI to collect all amounts due from Broker; or (3) extend the time within which Broker must make payment. In the event MSI brings any action or proceeding to enforce collection of any amount due under the terms of this Agreement, Broker agrees to pay all costs incident thereto, including reasonable legal fees, incurred by reason of such action or proceeding.

(c) **Adjustable Premiums.** Notwithstanding anything to the contrary herein set forth, in situations where premiums for a policy or policies which have been issued cannot be fully determined in advance and/or where an adjustment or determination is made by an audit, retrospective rating or by interim reports, such amounts are fully earned and due at the invoice date as evidenced by an MSI or Insurer invoice.

(d) **Collection of Audit Premium.** Broker will make all reasonable efforts to collect premium due as a result of an audit adjustment or determination. Broker will be relieved of responsibility for premium, so adjusted or determined, if Broker notifies MSI in writing within twenty (20) days after the audit premium invoice date, stating that Broker has made diligent efforts and

is unable to collect such premiums and further provided that the Insurer releases MSI from liability for such premium. A copy of the Broker's invoice to the insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure by the Broker to give MSI timely notice shall constitute Broker's acceptance of responsibility for payment of such premiums. MSI may then bill and collect all audit premiums. If, after a period of sixty (60) days from the date liability was assumed by the Insurer, MSI has not received payment due for the applicable coverage, MSI may, at its option, collect from the insured the premium due. In the event MSI collects the audit premium or any part thereof from the insured, Broker shall not be entitled to any commission on the premium so collected.

(e) Refunds or Premiums & Premium Tax. In the event of cancellation or modification of an insurance contract for whatever reason that results in an obligation to refund all or part of the premium and/or premium tax, MSI's sole obligation shall be to remit the required premium or premium tax directly to Broker. It shall not be obliged to make this remittance to the insured, to any premium finance company, or to any other person or entity. Notwithstanding the foregoing, no amount of premium tax shall be returnable or refunded until recovered by MSI and the amount to be returned shall in no event exceed the amount recovered.

(f) Unearned Commissions. Broker shall be liable to MSI, and shall pay to MSI, return commissions and/or fees at the same rate as originally allowed to Broker for all return premium adjustments or cancellations, including return premium on cancellations ordered or made by the Insurer or premium finance company. Such return commission shall be paid to MSI by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and MSI has been issued a credit for such premium by the Insurer, MSI will pay to Broker such return premium less the unearned portion of any commissions and/or fees previously retained by the Broker.

(g) Financed Premiums. Broker and/or insured may finance premiums only through a premium finance company that is expressly approved in advance in writing by MSI. On all premiums which have been financed, MSI will remit payment for any return premium, less unearned commission, directly to the Broker, however the ultimate liability of MSI to remit this payment shall never exceed the amount of return premium less unearned commission and/or fee developed.

2. Premium Funds Held In Trust. Broker shall hold premium funds in a general trust account to the extent required by the applicable law of each province and territory in which Broker conducts business. Provided Broker is in compliance with all terms of this Agreement and applicable law, Broker may retain any interest earned on said premium funds while so held by the Broker. Broker hereby grants to MSI, its designees or representatives, access at reasonable times after reasonable notice, to Broker's books, accounts and records concerning the business to which this Agreement applies including, but not limited to, monies due to MSI or an Insurer on business placed with MSI by Broker and also for the purpose of checking and verifying Broker's services. Broker shall make its officers and employees available to answer questions and render assistance at any such audit. MSI may make or retain, at its own expense, copies and extracts as may be reasonably necessary. If an examination of Broker's books, accounts, records and personnel reveals additional funds owed to MSI or an Insurer, Broker shall remit any undisputed amount within twenty (20) days of receipt of a request therefore. This paragraph shall survive the termination or



cancellation of this Agreement.

3. Claims. With regard to any claims, suits or notices of loss (or circumstances which might reasonably be expected to result in a claim, suit or notice of loss), Broker shall promptly notify MSI, shall follow claims procedures set forth by the insurer or MSI from time to time, and shall use best efforts to assure that each Insured shall promptly notify MSI and follow these procedures. Broker shall cooperate fully with the insurer, or any third party engaged by MSI to facilitate the investigation and adjustment of any claim, and shall promptly respond to any requests made by such party with respect to the claim, suit or notice of loss. Broker shall use its best efforts to ensure that all claims will be reported by any insured to the appropriate claims representatives immediately upon receipt of such notice of information however obtained or received. Broker shall immediately forward to MSI, or as directed by MSI, all letters, legal documents or other written information and/or material facts pertaining thereto.

4. Cancellation of Insurance. Notwithstanding anything to the contrary in this Agreement, but subject to applicable legal requirements and insurance contract provisions, MSI shall have the right to cancel or non-renew (or to request any Insurer to cancel or non-renew) any binder, policy or contract of insurance produced by Broker. 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 Broker does not make timely payment of any sums due MSI, then MSI may, without limitation of other remedies, initiate with Insurer to cancel the binder, policy or contract, for non-payment, subject to applicable legal requirements and insurance contract provisions. Broker hereby acknowledges that MSI and its Insurers are under no duty to reinstate a policy if the policy is cancelled. Broker shall not accept from any insured the late payment of premiums where Broker has prior knowledge, whether actual or constructive, that the policy (for which the late premiums have been collected) has been cancelled.

5. Advertising. MSI shall not be responsible for any expenses incurred by Broker and Broker shall bear sole responsibility for all costs or expenses for the production of the business covered by this Agreement, including but not limited to advertising, sales, promotion, solicitation and similar. Broker shall not cause any advertisement referring to or using the name, logo, or service marks of MSI 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 MSI. Unless MSI grants prior approval in writing, Broker shall not alter or modify MSI's advertising or marketing materials provided to Broker, and Broker shall not insert its own advertisement relating to business with MSI or its Insurers or initiate advertising of any nature in connection with business related to MSI or its Insurers. In the event MSI or its Insurers suffer a loss or expense arising out of any unauthorized advertisement, publication or statement of the Broker, the Broker shall be liable for and hereby agrees to indemnify MSI and its Insurers and hold them harmless from all resulting damages, fines, penalties and costs.

6. Confidentiality. The parties to this Agreement hereby represent and acknowledge to each other that in the course of the performance of their respective obligations, they will each make available to the other party certain information pertaining to each party's business and operations ("Information"). Each party hereby agrees that as a condition to being provided the Information, neither party will use any Information except in connection with the performance of duties hereunder. Each party agrees not to disclose any Information, in whole or in part, to anyone other than employees, officers and directors of such party, that have a need to know, and to cause all such persons to abide by

confidential obligation of this Agreement. The limits on use and disclosure will not apply to any Information which at the time of disclosure (a) is generally available to the public; (b) becomes generally available other than through a breach of this obligation of confidentiality; or (c) is required to be disclosed by a valid court order, provided however, the disclosing party provides prompt notice thereof to the other party.

7. Privacy. The parties to the Agreement hereby agree to comply with all applicable privacy legislation including the Personal Information Protection and Electronic Documents Act (Canada) and any provincial or territorial privacy legislation. With respect to any customer personal information collected by the Broker and made available to MSI, the Broker covenants and warrants that the Broker has obtained, in accordance to privacy legislation, sufficient consent to transfer or disclose such personal information to the insurer, MSI and its affiliates.

11. Inspection of Records. During the term of this Agreement, and for a period of three (3) years following termination for any reason, MSI and/or the Insurer shall have the right to audit and inspect Broker's books and records concerning the business to which this Agreement applies. Such right of audit and inspection shall be during normal business hours upon reasonable notice to Broker. The costs of such audit and inspection, including the costs of making copies of relevant records, shall be borne by MSI and/or the Insurer.

12. Ownership of Accounts or Expirations. If upon termination of this Agreement, the Broker has promptly accounted for and paid all initial and renewal premiums and other monies collected or held for or on behalf of MSI for which Broker may be liable, or has given a bond satisfactory to MSI guaranteeing the payment thereof, and Broker remains solvent, the records of Broker and the use and control of expirations shall remain the property of Broker and be left in its possession; otherwise the use and control of expirations shall be vested in MSI until such time as the indebtedness of the Broker to MSI is fully discharged. Broker will not be considered in default of its obligations to account for and pay to MSI the commissions and/or fees earned if there is a good faith dispute as to the amount due and which dispute was communicated in writing to MSI prior to the termination of this Agreement in sufficient time for MSI to respond. In no event shall such notice be deemed sufficiently timely if sent less than fifteen (15) days prior to the termination of this Agreement. In the event of such timely notification and if the Broker has accounted for and paid to MSI all items about which there is no dispute, the Broker will not be considered in default.

13. Termination, Suspension or Modification of Agreement.

This Agreement supersedes all prior oral or written agreements between Broker and MSI with respect to the subject matter hereof and may be terminated immediately without cause at any time by either party giving ten (10) days' written notice to the other by certified mail, return receipt requested. This Agreement shall also terminate: (1) automatically upon violation of law by Broker or MSI, or if any public authority cancels, suspends or declines to renew the Broker's license or certificate or authority or if the Broker fails to maintain errors and omissions insurance as required herein; (2) automatically, upon the death of the Broker or on the effective date of the sale, transfer, or merger of Broker's business (whether effected by sale of stock, assets or otherwise) with an unaffiliated third party with the provision that MSI may, upon review, contract with the successors as a Broker; (3) immediately, upon either party giving written notice to the other of termination because of abandonment, fraud, insolvency, failure to pay balances, or willful or gross misconduct; or (4) at the election of either party upon a material violation of this Agreement by the other party.

Upon termination of this Agreement, Broker shall continue to provide such duties that MSI deems necessary throughout the duration of any policy of insurance in force on or before the date of

termination, and during the pendency of any claim under that policy on a no fee basis. All representations and obligations of the Broker herein, including the confidentiality obligations with respect to the Information, shall survive the termination of this Agreement. After the date of termination of this Agreement, Broker shall complete the collection and accounting to MSI 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. If Broker is delinquent in either accounting or payment of monies due to MSI, then MSI may, by written notice to Broker, immediately terminate or suspend any of the provisions of this Agreement. Any supplies furnished by MSI to Broker remain the property of MSI and shall be accounted for and returned by Broker to MSI. Upon termination, both MSI and Broker shall have an ongoing duty to complete the performance of their remaining duties and obligations hereunder with respect to accounts and business produced by Broker, prior to the termination, for or on behalf of MSI. As to such business produced, the terms and conditions of the Agreement shall survive the termination of this Agreement.

14. Indemnification and Hold Harmless. Each party agrees to indemnify and hold each other harmless, and to defend the other (including payment of legal fees and costs of investigation), for any acts, errors or omissions in the solicitation, processing and placement of insurance business under this Agreement, except to the extent that the party requesting indemnification caused or contributed to the loss. This indemnification and defense obligation applies, whether or not the party seeking indemnification and/or a defense is found in whole or in part responsible for the loss. The party suffering the loss or damage shall promptly notify the other of any claim or action relating to such loss or damage. The provisions of this paragraph shall survive termination of this Agreement. Notwithstanding the foregoing, Broker agrees that MSI assumes no responsibility for any policy or to any insured with regard to the adequacy, amount or form of coverage provided they are in conformity with the information received from Broker and agrees to indemnify and hold MSI harmless from any claim asserted against MSI based upon reliance on warranties or representations, or instructions provided by, Broker. MSI is not an insurer and does not guarantee the financial condition of the Insurer with whom it may place risks. MSI shall have no liability for non-payment of claims due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by MSI provided such Insurer is rated not less than A- by the A.M. Best Company.

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

(a) Negotiation. The parties shall first engage in a good faith effort to negotiate any controversy or claim by oral and/or written communications between them. To the extent they are oral, they must be confirmed in writing.

(b) Mediation. Should the above-stated negotiations be unsuccessful, the parties may at MSI's discretion engage in mediation pursuant to the rules promulgated by the ADR Institute of Canada, Inc. Any costs relating to or arising out of mediation shall be borne equally between the parties.

(c) Arbitration. Should the dispute still exist after the above-stated, the parties shall arbitrate any controversy or claim pursuant to the rules promulgated by the ADR of Canada, Inc., and any judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The place of arbitration shall be Toronto, Ontario. Any costs relating to or arising out of arbitration shall be borne by the party against whom an award is issued.



THE PARTIES UNDERSTAND AND AGREE: (i) THAT EACH OF THEM IS WAIVING RIGHTS TO SEEK REMEDIES IN COURT, EXCEPT UNDER SECTIONS 14 (INDEMNIFICATION AND HOLD HARMLESS) OF AND INJUNCTIVE RELIEF UNDER SECTION 6 (CONFIDENTIALITY) OF THIS AGREEMENT; (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 TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATOR IS STRICTLY LIMITED.

16. Miscellaneous.

(a) Waiver or Default. No delay or omission by any party in exercising any right shall operate as a waiver of such right or of any other right. All rights and remedies, whether evidenced hereby or by any other agreement, instrument or paper, will be cumulative and may be exercised separately or concurrently. Failure of MSI to enforce any provision of this Agreement or to terminate it because of a breach shall not be deemed to be a waiver of such provision or of any breach committed by the Broker. No breach of any provisions of this Agreement can be waived unless done so in writing, executed by the waiving party. The waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision of this Agreement

(b) Severability. The provisions set forth in any article, paragraph or subpart hereof of this Agreement are considered severable. If any clause or provision of this Agreement shall be adjudged invalid or unenforceable by a court or competent jurisdiction or by operation of any applicable law, in whole or in part, it shall not affect the validity or any other clause or provision, or the validity of any other part of that clause or provision. Rather, the other clause or provision, or part of the clause or provision, 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.

(c) Governing Law and Jurisdiction. This Agreement shall be deemed to have been made and performed in Ontario and shall be governed by and construed and enforced in accordance with the laws of the Province of Ontario and federal laws of Canada applicable therein.

(d) Entire Agreement. This Agreement together with any amendments signed by the parties constitutes the entire agreement between MSI and Broker with respect to the types of business covered hereunder and supersedes and replaces any previous agreements (oral or written) between MSI and Broker. No oral promises or representation shall be binding, nor shall this Agreement be modified, except by agreement in writing and executed by the parties. Notwithstanding the foregoing, manuals, rules, guidelines, instructions, and directions issued in writing by MSI from time to time as provided in this Agreement, shall be binding on the Broker.

(e) Successors and Assigns. This Agreement shall be binding upon and adhere to the benefits of the parties hereto, their respective heirs, successors and permitted assigns. Notwithstanding the above, Broker may not assign any interest under this Agreement including compensation owed to Broker without the prior written consent of MSI.

(g) Notices. All notices and other correspondence shall be in writing and shall be deemed to have been duly received upon confirmation of a hand delivery or, if by mail, return receipt of the confirmation of certified mail delivery, addressed as follows:

To MSI:

C/O  
Anthony Passarelli  
President  
MODERN SPECIALTY  
INSURANCE LTD  
5500 North Service Rd.  
Suite 806  
Burlington Ontario Canada  
L7L 6W6

To Broker: \_\_\_\_\_

\_\_\_\_\_

If any address changes, each agrees to provide written notice of said change within thirty (30) days of said change. If an address change has not been provided, written communications sent to the last supplied address will be deemed received within five days of sending, unless returned as undeliverable through the postal service or some other similar delivery service.

17. **Counterparts and Electronic Copy.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. The signature of any of the parties hereto may be evidenced by a PDF or facsimile copy of this Agreement bearing such signature, which shall be binding as if an original executed copy of the Agreement has been delivered.

18. **Language** [this clause is applicable when Broker or subject matter of Agreement is Quebec based]. The parties to this Agreement have expressly required that this Agreement and all documents relating hereto be drafted in English

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The parties have executed this Agreement on the date first written above.

Print Name of Broker

Signature: \_\_\_\_\_  
(Must be Owner, Partner or Authorized Officer)

Title: \_\_\_\_\_

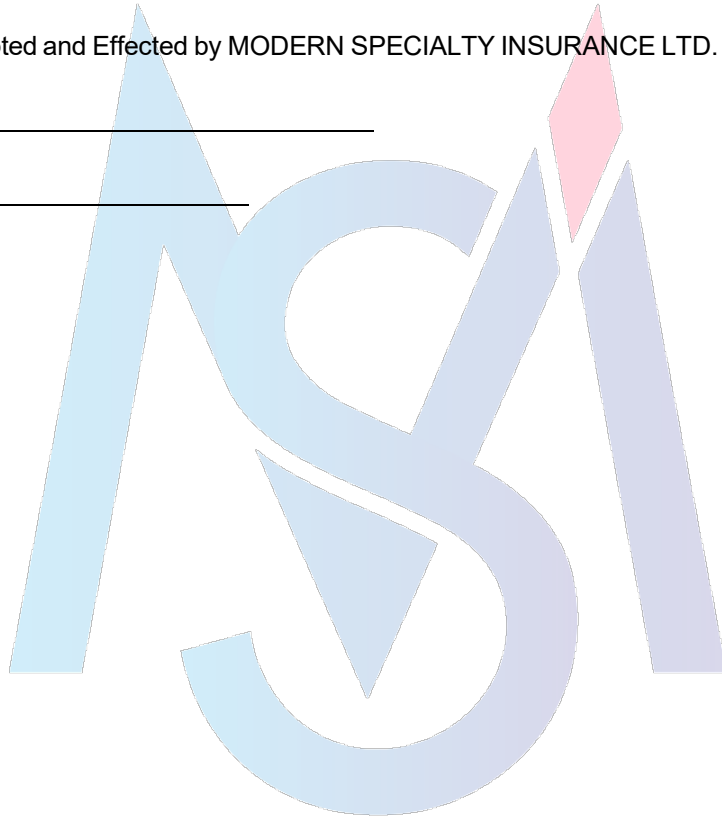
Brokerage License No. \_\_\_\_\_

Broker License No. \_\_\_\_\_

Agreement Accepted and Effected by MODERN SPECIALTY INSURANCE LTD.

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

Title: \_\_\_\_\_



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