## Retail Agreement

THIS AGREEMENT is made effective this       day of      , 20   by and between Safehold Special Risk, Inc.(“Safehold”) having an address located at 400 Interstate North Parkway, Suite 1000, Atlanta, GA 30339, and      , having an address located at       (“Retailer”), collectively, the “Parties.”

**WHEREAS**, Safehold conducts a general insurance agency business duly licensed as such by the State of      ; and

**WHEREAS**, Retailer is duly licensed to engage in the insurance business for the purposes set forth herein; and

**WHEREAS**, Retailer desires to engage the services of Safehold upon the terms and conditions hereinafter set forth;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

## 1. Insurance services

Safehold shall provide to Retailer insurance placement services as described herein:

1. Completed applications received from Retailer shall be submitted to the appropriate insurance companies for underwriting consideration.
2. Upon acceptance by the insurance company and upon instruction from Retailer, Safehold shall cause an insurance policy to be issued and shall initiate the proper method of premium collection, either direct bill or agency bill.
3. Safehold shall provide policies to Retailer for delivery to the insurance customer.
4. At the request of Retailer, Safehold shall, in turn, make certain requests of the insurance companies; i.e. policy changes, additional coverage, etc.

## 2. Premium collections

Direct Bill Policies

1. The company will directly bill the insured for any and all premiums due from the insured on such policies.
2. The insured remits payment directly to the company.

Agency Bill Policies

1. Retailer shall pay to Safehold all premiums due on coverages bound or written hereunder whether new, renewal, or by endorsement.
2. Safehold shall return to Retailer, or upon termination of the Agreement, to the insured, all return premiums due under coverages bound and written hereunder. Commission payable fromRetailer on insurance placed under this Agreement shall be as negotiated. Retailer shall pay a return commission at the same rate as paid on any return premiums.
3. Retailer shall remit premiums on coverages bound or written under this Agreement, whether or not collected , to Safehold within the time specified on Safehold invoice or, if an audit premium, within twenty (20) days of receipt of the audit endorsement, unless Retailer receives express written consent from Safehold of other payment terms.

## 3. Commissions

Direct Bill Policies

Any commission payments for direct bill policies will be paid by the company and be determined on an account specific basis. If not specifically stated and agreed upon in writing by the Parties, the presumption is that any policies at issue are subject to the Agency Bill Policies outlined herein.

1. Safehold will pay commissions to the Retailer in accordance with the commission section of this agreement. The commission will be paid within 30 days after the end of the month in which Safehold receives payment from the company, subject to reduction by return commission due to the company. Commissions in an amount less than $25 will be held until such time as the Retailer’s total commission on account exceeds $25, or if the amount remains under $25, any commission due will be paid within 90 days.
2. In the event return commission due to Safehold exceeds the commission due the Retailer for any given period, the Retailer agrees to pay Safehold the amount within the same 30 day period. If the commission amount due is less than $25, the Retailer can wait to remit payment until such time as the amount exceeds $25, or if the amount remains under $25, any payments due will be remitted by the Retailer within 90 days.
3. If policies are issued other than direct bill, Retailer shall be responsible for any earned premiums incurred, including audits which may result from cancellation of policies due to non-payment of premiums.

Agency Bill Policies

Safehold shall, in consideration of the above services, grant to Retailer commissions earned on insurance placed under the provisions of this Agreement. Parties agree to payment of a standard commission rate by program as negotiated and evidenced in writing on a program by program basis, with payment due to Safehold Special Risk, Inc. by the 10th of the month following activity as determined by the following:

1. With regard to property and casualty insurance business for specified customers, Safehold and Retailer will agree in writing as to the terms of the commission-sharing arrangement for such business if different from the above stated standard commission rate by program.
2. When paying premiums, Retailer may pay to Safehold the gross premium amount less the Retailer portion of commissions as agreed to herein. For direct bill items, Safehold will receive commissions from the companies and shall, according to the terms and conditions contained herein, pay to Retailer the agreed-upon portion of the commissions.

## 4. Claims

Retailer agrees to promptly report, with full details, to Safehold any fact, occurrence, or incident that may result in a claim of loss or increased risk of loss to Safehold or any insurer with which insurance was placed under this Agreement. Without limitation, Retailer agrees to report any subsequent information regarding such claim or loss to Safehold and to cooperate with adjusters and attorneys appointed by Safehold to investigate, adjust, or defend any claim or loss or to collect any unpaid premiums.

## 5. Binding authority

Retailer represents the prospective buyer of insurance. Insofar as transactions under this Agreement are concerned, Retailer is an independent contractor and not the agent of Safehold or any insurer with which Safehold may place coverage. Retailer may not and shall not bind any risks on behalf of Safehold. Retailer may not make any representations on behalf of Safehold, nor waive, alter, modify, or change any of the terms, rates, or conditions of any policy of insurance issued by or on behalf of Safehold. No employee of Safehold may grant to Retailer authority to bind any risks on behalf of Safehold. Retailer shall not have authority to appoint other agents or subagents for purposes of this agreement.

## 6. Property

Retailer is the owner of policy expirations resulting from authority granted by this Agreement. Upon termination of this Agreement, for any reason, Safehold will not continue to renew Retailer’s accounts except as may be required by law, or as mutually agreed upon. Commission will not be paid on any policies, renewals, or transactions that occur after the effective date of termination. If Retailer defaults upon its payments to Safehold, then the records, use and control of expirations and renewals shall be vested in Safehold.

## 7. Existing customer relationships

The parties agree that in the event that Retailer submits to Safehold for placement a customer who is being solicited for business by Safehold or who is already a Safehold customer, all materials provided by Retailer shall be returned to Retailer immediately, and any insurance business placed for the customer in question by Safehold shall not be subject to the terms and conditions of this Agreement.

## 8. Termination

With the exception of paragraph 6, either party may terminate this Agreement by providing the other party thirty (30) days written notice of their intent to do so.

## 9. License

Upon execution of this Agreement, the Retailer shall provide a current copy of their license and shall do likewise upon the subsequent renewal of such license.

## 10. Premium Audit

Unless negotiated elsewhere and/or stated in the policy(ies) at issue, Safehold may conduct an audit of the payroll, mileage, cost of hire or other variable(s) which are the basis of the policy premium for the relevant policy period. Based upon the results of such audit, the premium may be increased or decreased to correspond to the actual payroll, mileage, cost of hire or other variable(s) which are the basis of the policy premium (an “Audit Adjustment”). Safehold shall provide written notice of the results of any such audit and an invoice representing any premium adjustment due as a result of the Audit Adjustment (the “Audit Adjustment Notice”). The insured and/or insurance carrier shall notify Safehold in writing (an “Audit Dispute”) within fifteen (15) days following the billing date of an Audit Adjustment Notice if the insured disputes the results of any such audit. Such Audit Dispute should specify the basis of any such dispute together with evidence in support of the Audit Dispute. Any Audit Dispute not accompanied by such evidence shall not be considered by Safehold. Safehold shall issue its final determination of the results of an Audit Adjustment and any corresponding Audit Dispute within thirty (30) days following the date of the Audit Dispute and shall provide the insured with a final invoice (the “Final Premium Notice”) for any premium adjustment due as a result of the Audit Adjustment. All Additional Premium for the audit shall be payable fifteen (15) days after the billing date of the Final Premium Notice. The producing retailer may return any final premium audit within thirty (30) days of the billing date as uncollectible as long as the producing retailer can provide evidence and documentation of collection efforts. Otherwise, the producing retailer shall be responsible for payment of any audit additional premium. No retailer commission shall be payable with respect to any uncollected audit premium.

## 11. Errors and omissions

The Retailer has and agrees to maintain Insurance Agents and Brokers Errors & Omissions Liability insurance with a limit of not less than $1,000,000 per claim/$1,000,000 aggregate. Insurance will be maintained throughout the duration of this Agreement and for a period of two (2) years thereafter. Such policy shall be placed with an Insurer acceptable to Safehold. Retailer agrees to provide Safehold with proof of such coverage annually and at such other times as Safehold may reasonably request.

## 12. Advertising

Retailer shall not use any advertisement referring to or using the name Safehold or any insurer or referring to their products, or issue or cause to have issued any letter, circular, pamphlet, or other publication or statement so referring, without the written consent of Safehold.

## 13. Indemnity and hold harmless

Retailer agrees to indemnify and hold harmless Safehold in any joint and several capacities, its officers, directors and employees, with respect to any claims, loss, liability, damage or judgment suffered by Safehold, including reasonable attorney’s fees and court costs, which result from any and all adverse acts or omissions of Retailer and its agents arising out of, and in conjunction with this Agreement. Safehold agrees to indemnify and hold Retailer, its officers, directors and employees, harmless with respect to any claims, loss, liability, damage or judgment suffered by Retailer, including reasonable attorneys’ fees and court costs, which result from any and all adverse acts or omissions of Safehold and its agents arising out of, and in conjunction with this Agreement.

## 14. Enforceability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions, and this Agreement shall be construed as if such invalid or unenforceable provisions were omitted.

## 15. Entire agreement and amendment

This Agreement constitutes the entire agreement between Safehold and Retailer concerning the subject matter herein, and supersedes all previous communications, representations, understandings, and agreements, either written or oral. Modifications, changes, and amendments to this contract and relationship established thereby shall be valid only if in written form and signed by the Parties to this Agreement or other authorized agents.

## 16. Assignment

This Agreement shall not be assigned by either of the Parties, and their respective obligations hereunder shall not be delegated without the prior written consent of all the Parties hereto. No failure of either party to insist on strict compliance with this Agreement or to exercise any right under this Agreement shall be a waiver of such right.

## 17. Governing law

This Agreement shall be governed by and construed according to the laws of the domiciled state of the Retailer.

**18. Retailer documentation**

This Agreement shall become effective when accepted by Safehold Special Risk, Inc. and a copy of the Errors & Omissions Declaration Page, Agency license and W-9 is submitted with this Agreement.

19. The attached Addendum A is made a part of this agreement.

IN WITNESS THEREOF, the parties have hereunto set their hands on the date and year first above written for the purposes set forth in this Agreement:

**Safehold Special Risk, Inc.**

**“Retailer”**

Signature Signature

Printed name Printed name

Title Title