

AGENCY AGREEMENT

This AGREEMENT, executed in duplicate, as of _____, 202__ by and among **CANNASURE INSURANCE SERVICES, LLC**, an Ohio limited liability company, having its principal office at 1468 W. 9th St., STE 805, Cleveland, OH 44113 (the "Company") and ____, a(n) _____ having its principal office at _____ (the "Agency").

WHEREAS, the Agency desires to utilize the services and facilities of the Company in obtaining insurance coverage's for the Agency's clients, and

WHEREAS, the Company agrees to extend such services and facilities to the Agency subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Agency represents that it is properly licensed to transact business as an agent or broker for all types of insurance policies it shall place through the Company in accordance with the insurance laws of the state in which the Agency transacts such business. Copy of the state licenses shall be on file with the Company. If Agency breaches this requirement, Agency shall forfeit and return all commissions paid during the period which licensing was not maintained and indemnify the Company for all other damages and costs sustained by the Company as a result of the breach. The Company shall also maintain all licenses required by applicable state law.

2. The Company agrees to allow the Agency commissions on insurance policies placed by the Agency through the Company in accordance with the rate of commissions stipulated by the Company. In the event that such coverages are cancelled or modified (regardless of whether such cancellation or modification is instituted by the underwriting insurance company, the insured, a premium finance entity, the Company or by any other person), the Agency agrees to pay return commissions to the Company on any return premiums at the same rate at which such return premiums are calculated. Agency may charge a broker's fee in states that do not prohibit broker's fees.

3. The Agency agrees that "net premiums", as defined in this Section 3, received by the Agency for insurance policies placed through the Company are the property of the Company and the insurance company underwriting those insurance policies. The Agency shall hold such net premiums in a fiduciary capacity in accordance with all applicable premium trust account laws until such time as said funds are delivered to the Company. Then the Company will hold such premiums in a fiduciary capacity. The Agency may retain interest earned on the Agency's trust accounts.

The Agency further agrees that such fiduciary funds shall not be used by the Agency for any other purpose whatsoever. For the purposes of this Agreement, the "net premiums" received by the Agency for an insurance policy shall mean the gross premium charged by the insurer underwriting said policy, less the Agency's commission thereon at the rate stipulated by the Company, plus any taxes for which the Company shall be liable with respect to such policy.

4. The Company shall furnish the Agency with an invoice setting forth a net premium for each item of premium due with respect to an insurance policy which the Agency has placed through the Company. The Agency agrees to remit to the Company the amount shown on such invoice to be due the Company on the 5th of the month following receipt of the invoice or as otherwise agreed in writing between the Company and the Agency.

5. The Agency or retail producers shall obtain a signed indication of approval and deposit from any of the Agency's insured's before placing its insurance through the insurance facilities of the Company. Due to the unique nature of the Company program, the Agency cannot sign any application for insurance on behalf of any insured.

6. It is expressly understood and agreed by the Agency that the Agency shall pay to the Company (in accordance with paragraph 4 hereof) all net earned premiums, including net premiums resulting from audits of insurance policies, for insurance policies placed by the Agency through the Company regardless of whether or not such premiums have been collected by the Agency. Notwithstanding the foregoing, the Agency shall be relieved from responsibility for payment of premiums provided the Agency determines such premiums to be uncollectible following a good faith collection effort, which effort shall include at least one written request to the insured for payment, and notifies the Company of its determination of uncollectibility not later than fifteen (15) days after the due date for such premiums as specified in the invoice for the same furnished by the Company. The Agency shall provide the Company upon written request therefor, with a written statement of its good faith efforts to collect any premiums due with respect to any audit of an insurance policy, which statement shall include copies of all correspondence with the applicable insured or the applicable retail agent. In the event that the Agency shall provide the Company with written notice of uncollectibility, the Company shall have the right to cancel any insurance policy or policies providing coverage to that insured which were placed by the Agency through the Company and collect said premiums in any manner determined by the Company in its sole discretion. No commission shall be due and payable to the Agency on amounts collected with respect to any such premiums that may be collected by the Company. The Agency further agrees to pay to the Company all return commissions owed on account of coverage cancellation or modification in accordance with paragraph 2 hereof.

7. The Company reserves the right to offset any debits or credits shown on the Agency's account and remit the net due to the Agency.

8. Any claim that is reported directly to the Company will not be deemed as properly received by the Company unless the Agency receives written notice of such reported claim from the Company.

9. The Company shall have the absolute right to decline any business offered by the Agency and no provision of this Agreement shall be construed as permitting the Agency to bind a risk which has not been authorized in writing by the Company or to hold itself out as an agency or employee of the Company.

10. This Agreement is entered into solely between the Agency and the Company. The Company assumes no responsibility toward any policyholder or sub producer with regard to the adequacy, amount or form of any insurance coverage obtained or placed through the Company. The Agency agrees to indemnify and hold the Company harmless from any damages, losses, expenses, liabilities, penalties and other costs or expenses, including without limitation reasonable attorneys' fees, arising out of, relating to or resulting from any breach of this Agreement by the Agency, the Agency's negligence, wrongful acts or omissions, the adequacy amount or form of any insurance coverage obtained or placed through the Company or as a consequence of following the instructions of the Agency and agrees to pay for any

costs and attorneys' fees incurred by the Company to collect any sums due from the Agency to the Company or to enforce the terms of this Agreement. The Company agrees to indemnify and hold the Agency harmless from any damages, losses, expenses, liabilities, penalties and other costs or expenses, including without limitation, reasonable attorneys' fees arising out of, relating to or resulting from any breach of this Agreement by the Company, the Company's negligence, wrongful acts or omissions and agrees to pay for any cost and attorney fees incurred by the Agency to enforce the terms of this Agreement.

11. This Agreement shall terminate:

- A. Automatically on the date any public authority, revokes, cancels or declines to renew any license required for the Agency to transact business as an agent or broker for any of the types of insurance policies the Agency shall have placed through the Company or on the date on which there shall occur a merger or consolidation with respect to the Agency or a sale or transfer of substantially all of the assets of the Agency or a majority of its issued and outstanding stock;
- B. Immediately upon either party giving written notice to the other in the event of a breach or abandonment of this Agreement, fraud, insolvency, or gross or willful misconduct on the part of the other party; or
- C. Upon either party giving the other one hundred and eighty (180) days advance written notice, or such longer period as may be required by applicable law.

12. The records maintained by the Agency, including those concerning insurance policy expiration, with respect to insured's for which insurance coverage has been placed by it through the Company shall be the property of the Agency. Notwithstanding the foregoing to the contrary, in the event of a termination of this Agreement for any reason whatsoever, if the Agency has promptly accounted for and paid over to the Company all premiums and any other amounts due for which it may be liable, the Agency's use and control of expirations shall remain the property of the Agency and be left in its undisputed possession; otherwise, use and control of expirations maintained by Agency with respect to the insured's for which insurance coverage has been placed through the Company shall be vested in the Company and shall be the Company's sole exclusive property and the Agency shall forward the expiration records to the Company on request.

In the exercise of its right to collect any indebtedness due from the Agency through use and control of such records and expirations, the Company shall use reasonable business judgment in selling or otherwise disposing of such records and expirations and shall be accountable to the Agency for any sums received which, net of expenses, exceed the amount of indebtedness. If in selling or otherwise disposing of such records and expirations the Company does not realize sufficient proceeds to discharge in full the Agency's indebtedness to the Company and any expense incurred by the Company relative to said disposition (including, without limitation, reasonable attorney's fees), the Agency shall remain liable for the balance of such indebtedness and expenses. Any indebtedness due from the Agency shall not prevent application of this ownership of expirations clause in favor of the Agency if, in the Company's reasonable discretion, the Agency furnishes collateral security acceptable to the Company in the amount of such indebtedness to be held by the Company until the indebtedness is satisfied."

13. The Agency and Company agree to maintain at all times during the term of this Agreement errors and omissions liability coverage with a minimum limit of \$1,000,000.

14. This instrument constitutes the entire Agreement between the parties and supersedes all previous agreements entered into between the parties hereto with respect to its subject matter; and all such previous agreements, whether oral or written, are hereby merged into this instrument.

15. Failure by either party to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition. No waiver of any breach or default of this Agreement shall be valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

16. Any notice required or which may be given under this Agreement shall be in writing and either delivered personally, sent by overnight courier or mailed by certified mail, return receipt requested, to the addressee. Such notice shall be deemed given when so delivered personally, or if sent by overnight courier, one (1) business day after the date so sent, or if mailed by certified mail, three (3) business days after the date of mailing. Notices shall be sent to the address of the addressee stated in this Agreement or to such other address as any addressee shall request by written notice.

17. Each party hereby designates the Superior Court for the Judicial District of Cleveland, Ohio or the United States District Court for the District of Ohio, as the exclusive courts of proper jurisdiction and venue of and for any and all lawsuits or other legal proceedings relating to this Agreement; hereby irrevocably consents to such designation, jurisdiction and venue; and hereby waives any objection or defense relating to jurisdiction or venue with respect to any lawsuit or other legal proceeding initiated in or transferred to the Superior Court for the Judicial District of Cleveland, Ohio or the United States District Court for the District of Ohio.

This Agreement shall be construed in accordance with the laws of the State of Ohio without regard to its principles of conflicts of laws.

[signatures on following page]



1468 W. 9th St STE 805
Cleveland OH 44113
P: 800.420.5757
F: 800.420.1975

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the dates set forth after their names.

COMPANY:

CANNASURE INSURANCE SERVICES, LLC,
an Ohio Limited Liability Company

Patrick C. McManamon, Managing Director

Date: _____, 202__

AGENCY:

a(n) _____

By: _____

Name: _____

Its: _____

Date: _____, 202__