



Referral Representative Agreement

The following agreement is between Combined Insurance Group, Ltd. (CIG) and _____, the Referral Representative (RR). This agreement defines the terms, conditions and limitations of Property & Casualty (P&C) Insurance Policy Referrals Referred to CIG including quotation, binding and policies-in-force phases of P&C clients and coverage.

The terms, conditions and limitations described herein comprise the entire P&C Referral agreement between CIG and the RR.

In entering into this agreement the RR acknowledges the following:

1. Although the RR is authorized to refer potential clients to CIG for coverage under its Property & Casualty Insurance Policy(s) (Automobile/MotorCycle) (Homeowners/Renters/Condominium/Townhome) (Commercial/Business/Commercial Vehicle) (Bid/Financial Bonds) coverage (to be quoted and serviced only by CIG), the (RR) are in no way authorized by CIG to serve in any role or have any responsibilities as a licensed Property & Casualty Agent of CIG. This applies whether or not the RR is a licensed P&C agent in any capacity or jurisdiction outside CIG.
2. The Referral Representative acknowledges and understands state insurance laws and regulations prohibit, anyone who does not possess a Property & Casualty (P&C) Insurance License, is prohibited to act in any role specific to this license. This includes providing advice to Policyholders in regards to any P&C Policies or Product. An RR's Compensation will not be structured the same under the rules & regulations of any U.S. State Property & Casualty Insurance Department regulations. The RR serves strictly as a lead referrer and performs no other role in the process of the agency's responsibilities, issuing policies and servicing its client's P&C insurance policies and its coverages.
3. The Referral Representative will receive a compensation payment equal to 100% of the agency's first annual term and compensation received. This refers to software underwritten Automobile, Motorcycle, Renters & Homeowners Insurance Policies retained and maintained for coverage for the initial annual policy term. This includes both annual and semi-annual policies. Referral Fees will be paid on compensation received on annual term policies. Referral Fees will be paid on two Semi-Annual Policies. The second semi-annual term is not considered a renewal for the purpose of this agreement. Only second year compensation received by the agency is consider renewal compensation. A second year Referral Fee will never be paid the a Referral Representative.
4. The agency will only quote & accept policyholders from an RR who have maintained prior insurance coverage equal to one annual term.

Any referral who has not maintained at least one year of current policy coverage, can be considered for insurance coverage at the discretion of your agency manager. Commercial & Business Policies require a significant amount of field underwriting, inspection, quoting and policy service throughout the first annual policy term. As a result, a set Referral Finders Fee will be agreed upon prior to binding. In these situations, the policy must be handled by an agency commercial producer. The Finders Fee paid to an RR will be fairly decided upon by your agency manager. Because of the premium size & compensation amount of these type policies, the Finders Fee will be divided by twelve and paid monthly to the RR monthly throughout the first policy term.

5. Those software underwritten policies such as Automobile/MotorCycle, Homeowners/ Renters/ Condominium and Townhome will be paid as a Referral Fee equal to 100% of the Agency's first year compensation. Those Referral Fees will be paid monthly divided by twelve (12) payments throughout the first annual term. As a courtesy, the agency may advance twelve twelfths (12 12ths) of the Referral Fee as outlined in #3 under the following conditions. An RR's Referral Fee will be paid in advance with the agreement, any policy which does not make it to its annual or semi-annual term, the Referral Fee will be prorated and refunded to the agency. Any refunds due the agency will be deducted from any Referral Fees due the RR. If the RR does not have any pending Referral Fees, the RR agrees to promptly repay the agency or make arrangements to due so.

6. It is unlawful to pay Property & Casualty commissions to anyone not maintaining a Property & Casualty Insurance License. A Renewal Referral Fee, if paid, would constitute the same as a renewal income agreement an agency would maintain with a Property & Casualty Agent. A Referral Fee of any amount paid based on an Agency's second year Renewal Commission would violate any U.S. State Department of Insurance rules & regulations and would be unlawful. As a result, any payment based on a second year renewal commission will never be paid to a Referral Representative.

7. All Referral Finder's Fee will be paid approximately 5 days after the month's closing. For example, a new P&C Policy is placed on January 15th. The carrier will pay our agency sometime in the month of February (every carrier has a specific date). On February 28th, CIG closes its month and our system calculates all commissions received throughout that month. Agent Commissions & Referral Representative's Finders Fee amounts are assigned to its Agents & RR's respectively. You will be presented with a Printed Statement and Payment approximately March 5.

8. Because the (RR) is not a licensed P&C Agent (irrespective of any licensure they may have as described in Section 1, an RR may not discuss or provide any P&C insurance advice, instruction, or characterize any form of policy management, adjustment or modification under any circumstances whatsoever without exception.

The RR is also prohibited from making or characterizing the ability to make any policy changes or take any payments from any CIG P&C client or pending P&C client with a down payment due. An RR is also prohibited from charging any type of placement fee for referring a policy to CIG for placement. If upon our quarterly audit of policyholders and additional fees have been charged, the Referral Representative will be referred to their state Department of Insurance.

9. In all cases where a CIG P&C client or pending P&C client contacts the (RR) with the intention of addressing any policy service, changing a car, increasing or lowering coverage limits, needing advice or canceling a policy or any related issue, the RR must immediately provide the client with Combined Insurance Group's Toll-Free Number (800) 240-3369. An (RR) who has referred an insurance policy to CIG, should explain to a new CIG referral client, the agency's customer service staff is completely responsible for all policy transactions. If the RR is contacted by a CIG Referral Client regarding a claims concern and would prefer to speak to an Agent prior to filing a claim, Michael Dortch will be more than happy to speak with them. The RR should provide the client's telephone number to Mr. Dortch. Respectively, if the client needs to speak to Mr. Dortch immediately, they may contact him via his cell for a phone call anytime of day or night 215.778.0600. Texts will be missed, phone call preferred. They also email mdortch@insuredirect.com. They may include their phone number for a return call.

10. If the (RR) violates any terms of this agreement by providing P&C advice, accepting any policy changes, payments or charging placement fees to a CIG P&C Policy Client or pending P&C client, this agreement will be in immediate breach, and the (RR) will cease to have the privilege of referring P&C Business to CIG and receiving future Finder's Fee compensation.

Signed and put into force on this _____ day of the month of _____, 20_____.

_____, President & Managing Agent of Combined Insurance Group, Ltd.

_____, Referral Representative