Producer Agreement

This Producer Agreement ("Agreement") is made effective as of the date set forth on the signature line below between NIP Group, Inc. and any entity or business unit controlled by NIP Group, Inc., hereinafter referred to as "NIP" and the entity identified on the signature block of this Agreement, hereinafter referred to as the "Producer".

1. **Definitions**

Where used in this Agreement, the terms hereafter shall have the following meanings:

a. "Client(s)" shall mean insureds, customers, and prospective insureds and customers.

b. "Electronic Signature" shall mean a digital symbol, or process, attached to this Agreement which acts as verification of the Producer's intent to sign the Agreement and the acceptance of its terms.

c. "Producer Business" shall mean insurance business produced or submitted by Producer to NIP.

2. **Appointment of Producer**

a. NIP hereby appoints, on a non-exclusive basis, Producer for the placement of insurance business on behalf of its Clients placed by or through a business unit of NIP.

b. Producer has no authority to act on behalf of NIP except as expressly provided in this Agreement.

c. This appointment is subject to the following terms and conditions:

i. The Producer may not delegate or assign its authority under this Agreement without the written consent of NIP.

ii. The Producer may submit insurance business to NIP for quotation purposes. Producer shall provide complete, truthful and accurate information concerning each proposed Client, including comprehensive details concerning each proposed Client's business, operation and claims history.

iii. The Producer shall report any notice of any claims, or any incident that is likely to result in a claim, under any policy placed by NIP.

iv. The Producer shall pay to NIP or its designee all premiums for policies and endorsements as billed by NIP irrespective of whether the Producer has collected such amounts.

v. The Producer has no authority to bind NIP.

vi. The Producer has no authority to make, alter, vary or discharge any insurance policy; to issue, cancel or extend any insurance policy or endorsement to a policy; to extend the time for payment of premiums; to waive or extend any policy or condition thereof.

vii. The Producer has no authority to negotiate, adjust, compromise, settle, or in any way commit NIP or its Insurers to liability with respect to any claim or suit.

viii. The Producer will obtain and maintain in effect all licenses required by any applicable federal, state or local law or regulation in order to produce business in connection with this Agreement, that all such licenses are maintained in full force and effect throughout the term of this Agreement. Producer agrees to comply with all applicable laws governing the conduct of the business which is the subject of this agreement and all other laws, rules and regulations of all jurisdiction(s) where Producer solicits business or sells insurance

ix. The Producer shall be solely responsible for preparing and providing to its Clients any and all disclosures necessary to comply with all applicable laws, statutes, ordinances, orders, codes, rules, regulations, contracts and relationships with respect to any insurance business placed by or through NIP under this Agreement, including without limitation any required disclosures with respect to the commissions and fees paid or payable to the Producer in connections with such business.

x. The Producer shall not publish, circulate or issue any advertisement, letter, circular, or other publication or statement, written, oral, by emai, other electronic distribution of advertising, or otherwise, referring to NIP without the prior written approval of NIP.

3. **Commission and Premiums**

a. Where applicable, the Producer shall retain a portion of the commission on the Producer's business in accordance with rates set forth by NIP.

b. The Producer shall refund commission to NIP on a proportionate basis on all business that is cancelled and/or for which the premiums are reduced after the inception date. Such refund shall be due within thirty (30) days after the Producer is given notice of such cancellation or reduction.

c. The Producer shall be and shall remain liable to NIP for the payment of the net premium on the Producer's business by the date specified on NIP's invoice, irrespective of whether such premium has been collected by the Producer. With respect to premium developed by audit, Producer shall have the same turn back rights as NIP has with the

insurers it represents. The Producer hereby agrees that any extension of credit by the Producer to any of its Clients is solely at its own risk, and the Producer shall pay to NIP all sums due to NIP when due, whether or not the Producer has collected such amounts from its Clients or others who owe funds to the Producer. Furthermore, the Producer recognizes that in agreeing to pay such amounts to NIP, it does so unconditionally as an original undertaking on its own part, and not as a guarantor or surety of another person's obligations.

d. Any administrative service fees charged to the Producer shall be fully earned upon binding of the related insurance policy and shall not be transferred or billed to the Client.

e. All funds collected by the Producer under this agreement will be held in a fiduciary capacity. The Producer shall be permitted to retain any interest income earned on unremitted funds held for NIP under the Agreement.

f. The Producer hereby expressly acknowledges that all funds received by the Producer under this Agreement, wherever held or commingled, shall be subject to NIP's continuing security interest in such funds.

g. NIP may offset any amount due from the Producer under this Agreement with any balance NIP holds due to the Producer.

h. If NIP utilizes outside collections services or attorneys to collect premiums due from the Producer under this agreement, the Producer shall not be entitled to any commission on the premiums collected by NIP. In addition, the Producer shall be responsible for all collection costs including but not limited to collection agency, litigation expenses and court fees.

4. **Advertising**

The Producer would like its employees and agents to be kept informed of marketing, advertising and promotions on products and services marketed by NIP. Pursuant to the above purpose, the Producer hereby authorizes, agrees and expressly consents, for itself and its employees and agents, to receive and allow NIP, its employees, agents and third parties service providers, to contact and deliver in any mode of communication (electronic or otherwise) and provide marketing, advertising and promotional information relating to products and services that NIP may be selling, marketing, offering or promoting, whether such products or services presently exist or are created hereafter.

5. **Errors and Omissions Insurance**

During the term of this agreement and for a period corresponding to any applicable statute of limitations after termination of this Agreement, the Producer hereby agrees that it shall maintain and keep in full force and effect, an errors and omission policy of insurance for itself, its officers, employees, and agents with limits of not less than one million dollars ($1,000,000) per claim or occurrence and not less than one million dollars ($1,000,000) in the aggregate with a duly licensed insurer rated A- or higher.

6. **Term and Termination**

a. This Agreement shall continue until terminated.

b. NIP or Producer may terminate this Agreement at any time, for any reason, by providing written notice to the other party thirty (30) or more days before the effective date of termination.

c. This Agreement may be terminated immediately at NIP's discretion upon the occurrence of any of the following:

i. If the Producer fails to comply with 2(c)(viii) of this Agreement.

ii. If the Producer business entity is dissolved or files a petition in bankruptcy.

d. NIP may terminate this Agreement upon the material breach of the Producer.

e. Termination of this Agreement will not relieve the Producer's obligation to NIP with respect to the payment of premium, taxes or other amounts due for insurance business or services performed by NIP for the Producer prior to the effective termination date.

f. Within thirty (30) days of the effective date of termination of this Agreement and unless otherwise stipulated at the option of NIP, the Producer shall complete the collection, and pay and account to NIP for, all premiums, contributions, commissions, and other amounts unaccounted for on the date of termination or arising thereafter with respect to outstanding insurance.

g. In the event of termination of the Agreement, the Producer having accounted for and paid all premiums and other amounts due under this Agreement for which it is liable, the Producer's records, customer lists and use or control of expirations shall remain the property of the Producer and shall be left in its undisputed possession; otherwise, the records, customer lists and use and control of expirations shall be vested, exclusively in NIP.

7. **Amendment**

a. NIP may amend this Agreement by providing written notice of the amendment and its effective date to the Producer thirty (30) or more days before the proposed effective date of such amendment. The form of written notice may include correspondence addressed directly to the Producer or shown in the Producers section of NIP's website.

b. Any other amendment must be in writing, signed by both parties, and must specify the effective date of the amendment.

8. **Confidentiality**

a. "Confidential Information" includes, but is not limited to, NIP's business plans, policies, procedures, methods of operations, identities of Clients and trade secrets as well as each party's financial information, data, and other confidential or proprietary information.

b. The parties to this Agreement hereby represent and acknowledge to each other that in the course of the performance of their obligations they will each make available to the other party Confidential Information pertaining to their business and operations. Each party hereby agrees that it will not use Confidential Information except in connection with the performance of this Agreement. Each party agrees not to, disclose any Confidential Information 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 this Agreement. The limits on use and disclosure will not apply to any Confidential Information which (a) at the time of disclosure is generally available to the public, or (b) which becomes generally available other than through a breach of an obligation of confidentiality.

9. **Indemnification**

a. To the fullest extent permitted by law, the Producer shall indemnify and forever hold harmless NIP and any successor entity, and their officers and directors, against any and all liabilities, claims, causes of action, losses, damages (including attorneys' fees) resulting from or attributable to any and all acts or omissions of the Producer, or any breach by the Producer of any obligation arising under or term or condition of this Agreement.

b. To the fullest extent permitted by law, the NIP shall indemnify and forever hold harmless Producer, and any successor entity, and their officers and directors, against any and all liabilities, claims, causes of action, losses, damages (including attorneys' fees) to the extent the Producer has not contributed to or compounded such error, resulting from or attributable to any and all acts or omissions of the NIP, or any breach by the NIP of any obligation arising under or term or condition of this Agreement.

10. **Limitation of Liability**

Neither party shall be liable to the other party or any person or entity under this Agreement for any consequential, incidental, punitive, special or indirect damages, including without limitation, lost profits or interruption of business, under any theory including, but not limited to contract, tort negligence, strict liability or any cause of action, even if such party has been advised of the possibility of or could have foreseen such damages.

11. **Notices**

a. The parties agree that any written notice required or permitted by this Agreement (except when NIP provides notice of proposed amendments via their website) is effective if addressed to the other party at the address listed below:

i. Notices to NIP: Title: President, Address: 900 Route 9 North, Suite 503, Woodbridge, NJ 07095, email: appoint@NIPgroup.com

ii. Notices to Producer: Name, Address and Email address listed below or on file with NIP at the time of the notice.

b. Notices sent by email are deemed received the day transmitted, notices sent by mail will be deemed to have been received three days after mailing by first-class United States mail and notices by website are deemed received the day they are displayed on the website. Notice by other means will be deemed to have been received when actually received by the receiving party.

12. **Governing Law and Venue**

This Agreement shall be governed by the laws of the State of New Jersey. Exclusive venue for all disputes arising out of or relating to the agreement shall be the state and federal courts in the State of New Jersey.

13. **Relationship of the Parties**

The relationship of the parties shall be that of independent contractors and nothing herein shall create the relationship of principal and agent, or the relationship of employer and employee, or partners in a partnership, between the parties hereto.

14. **Arbitration**

Producer and NIP agree to submit any differences concerning their respective rights or the interpretation of this Agreement to arbitration upon the written request of either party. Such arbitration shall be governed by the rules then in effect of the America Arbitration Association ("AAA"). The arbitration and all proceedings thereunder shall be held in the City of New Brunswick, New Jersey. The losing party in such arbitrator shall pay all costs of the arbitration including the fees of the AAA and its arbitrators. The award in writing of the arbitrators shall be exclusive, final and binding upon all parties, without resort to an appeal thereof. Judgment may be entered upon the award of the arbitrators in any court having jurisdiction pursuant to Section 12.

15. **Waiver of Class Action**

Any claim, action, suit or demand shall be brought in the Producer's exclusive capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in any forum. No arbitrator appointed pursuant to Section 14 shall have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court having jurisdiction pursuant to Section 12 and not by an arbitrator

16. **Assignment**

NIP may assign this Agreement to an affiliate or as part of a transaction by which all or substantially all of that party's assets are transferred to a third party. Producer may assign this Agreement upon the written consent of NIP.

17. **Survival**

The following provisions shall survive termination of this Agreement: Sections 3, 5, 8, 9, 10, 12, 14 and 15 in their entirety.

18. **Severability**

If any provision of this Agreement is held invalid for any reason, the validity of the remainder of the Agreement will not be affected.

19. **Agreement**

This Agreement constitutes the entire agreement between NIP and Producer and supersedes any prior agreement, oral or written, between the parties concerning the subject matter of this Agreement.

Executed to be effective the _____ day of _____, 20XX.

NIP

By: Electronic Signature

Name: _____

Title: _____

Producer (Entity's name):

_____

Producer FEIN:

_____

By: Electronic Signature

Name: _____

Title: _____

Street: _____

Mailing address:

City: _____ **State:** ____**Zip** ____

Email: _____