

# PROSPECTIVE MEMBER INFORMATION PACKET



## **INSURANCE PARTNERS**

*The Nurturing Network*

**104 Garfield St  
St. Paul, MN 55102  
Phone: 763-694-9933**

**[ourinspartners.com](http://ourinspartners.com)**



# Why Insurance Partners

*“Aggregator” refers to an organization that combines insurance products from multiple company sources. Insurance Partners goes beyond the industry definition by partnering with the member agents, and seeking to satisfy the goals of the individual insurance companies.*



INSURANCE PARTNERS

# THE NURTURING NETWORK

*Designed for YOUR Needs*

*Insurance Partners is the aggregator who understands YOUR needs  
and wants to help YOU achieve YOUR goals.*

Insurance Partners has been in existence since 1989, which is much longer than our competitors. We pioneered the idea of independent agencies working together to become individually stronger. The success we've had producing profitable business for companies has allowed our members to earn lucrative contingent commissions. Many of our member agencies make more commission working through our aggregation than they would through direct company contracts on their own.

*YOU own the business YOU produce.*

You can cancel your contract with 14 days notice.

Although Insurance Partners is not a franchise, we will help **YOU** succeed by immersion in **YOUR** marketing, accounting, education, and product placement needs.

**YOU** will receive the full up-front commission for the first twelve months, allowing **YOU** to have a better chance of success. From day one forward, **YOU** will receive Contingent Commissions, and One Hundred Percent of Bonus Commissions, Trips, and other Prizes.

Complete transparency on commissions. No joining fees.



INSURANCE PARTNERS



# Look before You Leap

## **When starting a business be sure to have a firm exit strategy.**

That seems negative, but it is unreasonable to start any venture without knowing what will happen should you decide it isn't working. Things change. According to the Small Business Administration about half of sole proprietorships last more than five years. Only a third last over ten years.

We have heard stories of insurance agents joining agency networks and being forced to drop out of the insurance industry entirely when they decide they need to quit. They seemingly discovered that they're embroiled so tightly by their contract with the aggregator that they have no real economic choice but to "sell" their book to the aggregator -- and quit the industry.

That is unfortunate. **Successful aggregation should be about facilitating an enhancement of choices.**

Over our three decades in business, Insurance Partners has a number of agencies leave our network for a variety of reasons. Being a part of a network doesn't fit everyone's ideals, and circumstances change. No agents had to leave the industry, after they left Insurance Partners.

If you decide to leave Insurance Partners you can walk away with just a few days' notice. You own the business and have full rights to exercise the renewal information.

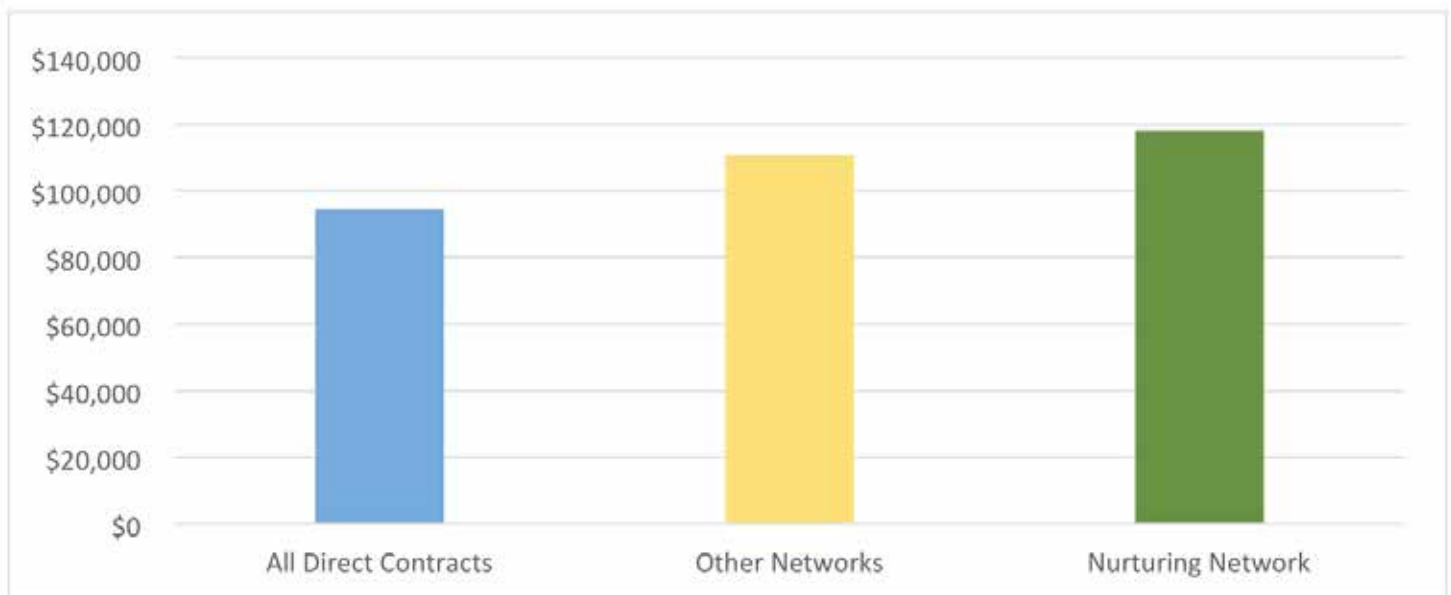
Should you decide to seek contracts with those companies that we provided access to under your agreement with us, you will need to compensate us for that business for only three years, per the contract. This has happened only a handful of times over the many years.

Should you ever want to leave us, you can. We will work very hard to make sure you don't feel that you have to make that decision.



# Revenue Comparisons

- Look Inside the numbers. Through YOUR membership in an aggregation, YOU will be able to place about 20% more business because YOU will have more competitive quotes and broader underwriting acceptance. Outside of a network, the average new agent would have \$93,750 in annual commission plus about \$750 in contingent commission after three years.
- Under a network, YOU would not only place more business, but YOU would earn higher commission rates because YOU'RE part of a much larger volume of business with the companies. Placing your business through the average network will increase YOUR total revenue by about 17%.



- Under Insurance Partners YOU'RE asked to place 22.5% of YOUR business through network contracts. YOU still are placing 77.5% of YOUR business through direct contracts and retaining 100% of that commission. Because YOU only share commissions on a small portion of YOUR business, YOU will make 25% more revenue by working through Insurance Partners.
- Once YOUR agency's premium reaches about \$500,000 in a given year, YOU will retain 100% of the up-front commission ((Ask for details.)
- Joining a network will allow YOU to increase YOUR revenue by 17%, but making the wise decision to join Insurance Partners will allow that increase to be 25%.
- As YOU continue to grow, the value of Insurance Partners' augmentation and supplementation will allow YOU even larger profits as YOU become less reliant on our markets



# Commission

*The Interagency, LLC retains a portion of the upfront commission to an annual maximum of \$12,000. During your agency's first year in Insurance Partners, The Interagency, LLC will NOT retain any of the upfront commission. (\$0) And . . . you have the ability to earn 100% upfront commission.*

**Personal Lines Commission:** After the first year, The Interagency will retain 2.5% of the personal lines commission. If the insurance companies pay 15% you will receive 12.5%. (New and Renewal) The vast majority of premium is compensated on this basis.

If you become an A+ agency through your production efforts, The Interagency will retain 2.0% of the personal lines commission. If the insurance companies pay 15% you will receive 13.0%.

If you are not able to meet certain production requirements, The Interagency will retain 3.5% of the personal lines commission. If the insurance companies pay 15% you will receive 11.5%.

**Commercial Lines Commission:** After the first year, the Interagency will retain 2 to 3% of the commercial lines commission depending on coverage (New and Renewal). If the insurance companies pay 20% you will receive either 17% or 18%. The vast majority of premium is compensated on this basis.

In some instances, The Interagency must become heavily involved in the underwriting and policy handling. In those instances, The Interagency will retain one half of the commercial lines commission. If the insurance companies pay 20% you will receive either 10%.

**Bonus Commission:** Most bonus commissions are passed through 100% to your agency.

**Contingent commissions:** Contingent commissions are shared with your agency. The percentage of your pro-rata share depends on your level of production, but in most cases, will be close to 50%. For 2016, we paid over 2% additional commission on average to our member agencies. We cannot guarantee this will happen every year.

Most of our member agencies have been with us for three decades. Obviously, they agree that our handling of the commission is fair.



# Intangible Value

It's readily apparent that membership in an agency group creates value through market access, increased commission scales, group purchasing, and more frequent and larger contingency commissions. What isn't so readily seen are the Intangibles:

**Perpetuation:** Interaction with other member agencies often has resulted in perpetuation agreements between agencies. In those rare situations where an agency principal is incapacitated without a perpetuation plan, we can provide assistance.

**Acquisition:** Not only will you receive help in finding possible acquisitions – you will receive help in finding funding.

**Consultation:** You will have access to some of the best insurance minds in our area to aid your business placement and agency management.

**Ongoing Training:** We bring in outstanding speakers to keep you current along with frequent updates through mailings and email. Our seminars recharge your minds while providing timely carrier and product updates.

**Group Info Exchange:** Our seminars are constructed to allow free exchange of ideas with other member agencies. Over the years, your peers can become an extended family.

**Adversarial Role:** You have people on your side who will work on your behalf if the need arises. We've seen it all over the last three decades.

**Excess and Surplus Lines Markets :** our experience and understanding of the excess and surplus lines market is far superior to our competitor's.

*“For the strength of the pack is the wolf,  
and the strength of the wolf is the pack.”*

*- Rudyard Kipling*



# Agency Purchase Financing

A few years ago, we looked into financing for agency expansion. We found that banks generally don't understand insurance agencies and are unwilling in most instances to lend money for agency purchases at rates that make such a purchase feasible.

In fact, the institution that advertises in most insurance industry magazines proved to be charging an effective annual interest rate of over 35%.

We've pro-actively addressed this issue by working with a Minnesota bank group who has a broad knowledge of the insurance agency business.

They have agreed to a program for Insurance Partners members.

If you have more than five years of industry experience, good credit, and are willing to put 20% down, they will consider a five-year note to help you buy an agency (10 Years if you have a 25% down payment).

We're happy to provide this exclusive program to our members and eager to help you grow through prudent acquisition.





# Lessons From Geese

As each bird flaps its wings, it creates an uplift behind it. There is a 71% more flying range in a V-formation than flying alone.

*LESSON: People who share a common direction and sense of common purpose can get there quicker.*

Whenever a goose flies out of formation, it quickly feels the drag and tries to get back into position.

*LESSON: It's harder to do something alone than together.*

When the lead goose gets tired, it rotates back into the formation and another goose flies at the head.

*LESSON: Shared leadership and interdependence gives us each a chance to lead as well as opportunities to rest.*

The geese in formation honk from behind to encourage those up front to keep up their speed.

*LESSON: We need to make sure our honking is encouraging and not discouraging.*

When a goose gets sick or wounded and falls, two geese fall out and stay with it until it revives or dies. Then they catch up or join another flock.

*LESSON: Stand by your colleagues in difficult times as well as in good.*





# The InterAgency Management Team

## **RENSON J ANJERE - President**

- Graduate of Hamline University with Bachelor of Arts degree in Economics and Management
- 2004-2006 - Fairfield Inn By Marriott—Mall of America - Front Desk Clerk, Front Desk Manager
- 2006-2011 - American Family Insurance, Bloomington, MN—Agent
- 2011-2012 - Wells Fargo Insurance, Inc., Minneapolis, MN—Agent
- 2012-2014 - Farmers Insurance Group - Sales Manager & Agency Business Consultant
- 2014-2017 - Safeco Insurance, A Liberty Mutual Company - Territory Manager
- 2017-Present - The InterAgency - President

## **JAMES R. HOLM - Vice President**

- Graduate of North Dakota State University in 1970 with a B.S. in Business Economics
- 1970-1976 - The Continental Insurance Companies Management Trainee Program, Field Representative, Special Agent, Senior Underwriter
- 1976-1977 - Aid Insurance Company, Senior Underwriter
- 1977-1979 - Northfield Insurance Company, Senior Underwriter
- 1979-1985 - Jolm H. Crowther, Inc., Manager of Bismarck Office, Regional Vice-President in charge of Bismarck, Billings, Des Moines, Sioux Falls and Madison
- 1982 - Designated as Lloyd's of London Correspondent
- 1982-1985 - State Representative for NAPSLO
- 1985-2017 - The InterAgency - President
- 2017-Present - The InterAgency - Vice President



# The InterAgency Management Team

## **JAYNE HOLM**

- Graduate of North Dakota State University in 1973 with B.S. in Retailing/Fashion Design
- 1975-1978 - Brush Marketing, Secretary
- 1978-1979 - Anderson Construction - Purchasing Secretary
- 1988-Present - The InterAgency, Administrative & Marketing

## **MOLLY GARRETT**

- Graduate of University of St. Thomas, St. Paul, MN
- 2002-2006 - Target Stores
- 2006-2012 - Independent Furniture Refinisher and Sales
- 2012-Present - The InterAgency, Underwriter / Marketing



# Insurance Partner Companies

<b>Name</b>	<b>2016 Best's Rating</b>	<b>Comments</b>
Allied Insurance/Nationwide	A+	MN - Comm'l, Home & Auto
American Modern	A+	Specialty Insurance
Auto Club Insurance	A-	MN - Home & Auto
Badger Mutual Ins Co	A-	MN - Comm'l, Home & Auto
Harleysville Ins Co/Allied	A+	MN - Commercial Insurance
Kemper	A-	MN - Home & Auto
Liberty	A	MN & ND - Commercial Insurance
Nationwide Farm	A+	MN & ND - Farm Packages
Safeco	A	MN - Home & Auto
State Auto	A-	MN - Farm
Travelers Ins Co	A++	MN - Home & Auto
Travelers Ins Co	A++	MN & ND - Comm'l





## ***Compared to Some Other Aggregators Insurance Partners Has Fewer Companies . . . and There Are Good Reasons We Don't Have More.***

We've been in the agency aggregation business since 1989. At one time we have twenty-three markets, today we have just under ten. We learned through our mistakes how many companies are needed to be most cost-effective for our member agencies.

- 1.) The average agency closes on about 35% of the risks they work on. If they always had the lowest price and the broadest coverage, they would probably close on about 40% of the risks they worked on. To always have the lowest price and the broadest an agency would need thirty to forty personal lines companies and almost as many commercial companies. Reasonable price and adequate coverage are table stakes, but other factors seem to be the key reasons for placement.
- 2.) The average large agency has seven to ten personal lines companies and four to seven commercial markets. They have found that there is a marginal utility in additional markets in that their agents spend precious selling time keeping current with the various companies.
- 3.) Insurance Partners is in the business of augmenting and supplementing your direct contracts. We need to provide a few good markets for that purpose. We want to place about 22 ½% of your agency's volume --- not all of it.



# Membership Criteria

***In order to maintain membership in Insurance Partners, all Insurance Partners agencies must:***

- Maintain a current agency and individual agent's license with the proper state agencies.
- Conduct business in an honest and ethical manner.
- Pay all InterAgency account currents in a timely manner.
- Place at least 22.5% of the agency's total property and casualty premium volume in Insurance Partners companies. Or, have a clear plan to place at least 22.5% of the agency's property and casualty premium volume in Insurance Partners companies within a reasonable amount of time. (Agencies with total premium volumes in excess of \$1.5 million or agencies with premium volumes generated from specialty business not covered by Insurance Partners companies may negotiate a lower minimum percentage.)
- Use Insurance Partners companies as they would any of their other companies - not using Insurance Partners as a market of last resort. (e.g. Commercial submission should be sent to Insurance Partners at the same time they are sent to contracted carriers.)
- Maintain a current Insurance Partners Producer and Premium Agreement with the InterAgency.
- Answer all Insurance Partners correspondence within a reasonable amount of time.
- Review all marketing plans offered by Insurance Partners. Take part in those that offer promise for their agency.
- Maintain exclusive agency Network membership with Insurance Partners. Membership in any other agency group or marketing venture will be avoided entirely or cleared with the management of the InterAgency.
- Treat all Insurance Partners Company and InterAgency employees with common decency and respect.
- Maintain and provide proof of E&O insurance with limits of no less than \$1,000,000.
- Keep rates for all Insurance Partners companies agency has "access to" current on agency's comparative rater.
- Attend a reasonable number of Insurance Partners seminars and other such Insurance Partners meetings.

MORE DIALOGUE FROM

# THE NURTURING NETWORK

*What do you want  
in an agency network?*

*The freedom  
and tools  
to succeed...*

*Insurance Partners has been in the business of helping Independent agents succeed for years... decades. We talk to our network of agents every day. We listen. And we nurture. It's what we do.*



INSURANCE PARTNERS

MORE DIALOGUE FROM

# THE NURTURING NETWORK

*Is there anything  
you DON'T want  
us to do?*

*Yes. Don't  
control me. :)*

*Insurance Partners has been in the business of helping Independent agents succeed for years... decades. We talk to our network of agents every day. We listen. And we nurture. It's what we do.*



INSURANCE PARTNERS





# Questions And Answers

Q. Is there a service fee?

*A. No fees are charged in North Dakota. Minnesota agents pay a \$25 monthly fee.*

Q. Will my agency be able to do business with all Insurance Partners companies?

*A. Each company retains its right to do business with agencies of its choice. If a company already has an agency in your trade area it may elect not to open its market to you. Each company is encouraged to have its own agency selection process. Companies may elect not to write business in certain states. Most current Insurance Partner companies choose not to do business in North Dakota. . .at the current time.*

Q. Is my agency required to make a volume commitment to each Insurance Partners company?

*A. Individual companies may establish whatever goals they deem necessary. Agencies are not required to work with every company.*

Q. What are the commissions paid by Insurance Partners on the various programs?

*A. Commissions vary with each company and each program. It is the philosophy of Insurance Partners to keep commissions to agents as high as possible through volume sales. For details, see the commission schedule.*

Q. Do Insurance Partners companies accept Agent of Record letters on accounts?

*A. Most accounts can be transferred freely with an Agent of Record letter. Many of Insurance Partners companies are asking 60 days lead time to honor an Agent of Record letter.*

Q. After I join Insurance Partners, how will I know another Insurance Partners' agency won't be established right across the street from me?

*A. Insurance Partners agencies are granted exclusive rights to their "core" marketing areas. If it is determined an agency is not providing Insurance Partners representation which helps Insurance Partners grow, that agency could subsequently lose its exclusivity in its marketing area.*

Q. Are Insurance Partners companies competitive?

*A. Whether or not an Insurance Partners company is competitive changes from risk to risk and from territory to territory. An effort is made to tell you which companies are competitive in your area, and on what type of risks.*



# Questions And Answers (continued)

Q. What type of risks can be written through Insurance Partners companies?

*A. Most Insurance Partners companies are standard companies looking for standard risk. The Interagency will attempt to quote risks that are not acceptable to Insurance Partners companies in our specialty markets. Insurance Partners is not meant as a market of last choice and will not act in that capacity. Should you decide to join Insurance Partners you will be expected to treat this facility with respect as you would any other standard company in your agency.*

Q. Will I have binding authority?

*A. Certain companies, such as Hartford, Travelers', Safeco and Nationwide will extend binding authority for personal lines. Binding authority will remain with The Interagency unless specifically granted in writing.*

Q. What type of lead time is needed to quote a commercial account?

*A. This varies with companies and coverage desired. For the most positive results most companies would like 30 days from the time they receive the completed applications in their offices. The Interagency has quoting and binding authority for some of Insurance Partners companies. In those instances, you will receive the same one or two day turn around you receive now from The Interagency.*

Q. Who do I contact if one of my clients has a claim with an Insurance Partners company?

*A. Each company is different. For example, some companies have a series of 800 numbers for various situations. One of their 800 numbers is for claims. Other companies ask The Interagency to become involved in the claims process.*

Q. If I have questions about underwriting or rating, how can I get help?

*A. The function of The Interagency staff is to facilitate clear communication between Insurance Partners agencies and the company staff. Our personnel can field most questions immediately or get timely answers from the companies.*

Q. Will my agency receive contingencies?

*A. Insurance Partners agencies will share in contingency bonus formulas - see the commission schedule.*

Q. Are promotional materials available?

*A. All of the companies are very helpful in providing promotional materials. Some of the individual companies have co-op ad programs. Insurance Partners will also co-op ads in some instances.*



# Questions And Answers (continued)

Q. What happens if my agency wants to contract with an Insurance Partners company on a direct basis?

*A. The Interagency understands the developing relationships that will exist in Insurance Partners. In the event an Insurance Partners producer would like a direct contract with an Insurance Partners company, a share of the agency's revenues from that company would be paid to The Interagency. Please refer to the sample The Interagency/Insurance Partners Agency Agreement for complete details. If you have a direct contract with an Insurance Partners company at the time that you join, your contract will not be disturbed by The Interagency.*

Q. How will I keep up-to-date on Insurance Partners products and companies?

*A. Seminars are held to introduce companies and products. Seminars are usually held in several separate locations. You will receive informational mailings as well. Insurance Partners agencies have already received over 750 mailings.*

Q. What happens if I leave Insurance Partners?

*A. Insurance Partners companies ask that you replace the business within 18 months. You will receive no commission on the run off policies beginning six months after termination. You may move these accounts.*

Q. Many companies run promotions and incentive programs. Who will receive the benefit of those programs?

*A. The Interagency will pass along the incentives, such as trips, to Insurance Partners agencies. Insurance Partners agents have received many trips and prizes with a total value to date of well in excess of \$500,000.*

Q. Who owns the business?

*A. Insurance Partners contract states: Use and Control of Producer's Work Product. The use and control of my work product, shall remain in my undisputed possession and ownership, and The Interagency shall not use its records of those products in any marketing method for the sale, service, or renewal of any form of insurance coverage, or other product which shall abridge my right of ownership, use, and control, nor shall The Interagency refer or communicate this product information to any other producer, ("My" refers to YOUR agency.)*

Q. If I have questions regarding the operation of Insurance Partners who should I call?

*A. Call the marketing director at The Interagency, Jayne Holm, 763-694-9933..*



# Insurance Partners Fees

*Each agency is charged a fee of \$25 per month\* for advertising (regardless of size and production). This fee has been (and is) used for some combination of print materials, unified purchases of various sales aids, defraying print cost for mailings, defraying postage and handling cost for mailings, etc.*

\*\$10 per month for Farmers Insurance Group agencies





# Insurance Partners - Minnesota Members

Strong Agency, Inc	Albert Lea	Central Ins Agcy	Minneapolis
Marketing Link Ins Agcy	Amboy	Moose Lake Ins Agcy	Moose Lake
Ames Agcy - Ins	Andover	Town & Country Ins	Mora
Strong Ins Serv Inc Dba Rg Ins	Baxter	Rentz Agcy Inc	Morris
North American Ins Agcy	Belgrade	Bosma Ins Agency	Mound
Gilbertson-Latterell Agency	Bigfork	Schoenke Grossinger Ins Agcy	New Germany
Insurance Concepts	Bloomington	Lieser Insurance Agency	New London
The Insurance Office	Brainerd	Haas Insurance Agcy	Newport
Hp Insurance, Inc	Brownton	Nisswa Ins Services Inc	Nisswa
Riverstone Ins	Buffalo	A Family First Ins Agcy	Owatonna
Cambridge Ins Center	Cambridge	Avenson Ins Agcy Inc	Park Rapids
Goeman Agcy	Clara City	Lieser Ins Agency	Paynesville
Lifetime Insurance	Comfrey	Nettestad Insurance	Pelican Rapids
North Suburban Agencies	Coon Rapids	Schomer Insurance	Pierz
Barry's Properties & Ins	Crosby	The Banks Agcy Inc	Pine Island
Greater Ins Service	Deer River	Unity Ins & Inv Services	Red Lake Falls
Simpson Ins Agcy	Detroit Lakes	Royal Ins Agcy	Royalton
Daniel Glinski Agency	Duluth	Butch Johnson	Rushford
North American Ins Agcy	Elrosa	Town & Country Agency	Russell
Jerry Smestad Insurance	Fairmont	Progrowth Ins Agcy	Sartell
Town & Country Ins	Finlayson	Smisek Ins Agcy, Inc.	Shakopee
Landmark Ins Services	Forest Lake	Kadrie Ins Agency	Shoreview
Cedar Ins Agcy LLC	Fridley	Dressel Agency, Inc.	St. Bonifacius
Progrowth Ins Agcy	Gaylord	Hoffman Ins Agency	St. Cloud
Greater Ins Service Of Ne Mn	Grand Rapids	Mike's Insurance	St. James
Town & Country Agcy	Hanley Falls	St. Martin Ins Agcy Inc	St. Martin
C. R. Pustovar Agency	Hibbing	Quality Ins Serv Inc	St. Paul
Town & Country Ins	Hinckley	Kuhn Ins Agcy Llc	Staples
Burkstrand Agency	Howard Lake	Knakmuhs/Tracy Ins Agcy	Tracy
F.A.C.U.	Jackson	Trimont Agcy Inc	Trimont
First State Real Estate Agcy	Lake Lillian	Johnson Ins Agency	Upsala
Extended Ag Ins Serv	Lakefield	Hegland Agcy	Virginia
Center Ins Agency, Inc.	Litchfield	S. J. Podpeskar Ins	Virginia
Deml Insurance Agency, Inc.	Little Falls	Knakmuhs Agcy	Walnut Grove
Drellack Ins Ctr	Little Falls	Gallivan Ins Agcy Inc	Wh Bear Lake
Emp Benefits & Ins Serv	Mankato	Associated Insurance	Wh Bear Lake
Southwest Assur. Corp.	Marshall	M. G. Ins Agcy	Willmar
Town & Country Agency	Marshall	Town & Country Agcy	Wood Lake
McGregor Ins Agcy, Inc	McGregor	First Service Agcy Inc	Wyoming
Unity Ins & Inv Services	Mentor	The Banks Agcy Inc	Zumbrota
River Agcy Inc	Middle River		



### PRODUCER & PREMIUM AGREEMENT

Interagency LLC (AKA NURTURE NETWORK, AKA Insurance Partners) EXTENDS NO BINDING AUTHORITY OF ANY KIND TO ANY PRODUCER.

AGENCY NAME  
AGENCY STREET ADDRESS  
CITY, STATE ZIP

The personal pronoun I/me shall also refer to any partnership or corporation executing this Agreement as producer.

1. **Licensing.** I hereby warrant to NURTURE NETWORK that I am a producer properly licensed to transact business as an agency or broker in accordance with the provisions of insurance laws of any state in which I transact such business. I will provide evidence, in accordance with procedures established by NURTURE NETWORK, of my license(s) as an agent and/or broker for the state(s) in which my office(s) is (are) located. This evidence may include copies of renewal agent/broker licenses.
2. **Relationship of the Parties.** I agree that I am and shall continue to be an independent contractor during the term of this Agreement. This Agreement does not create or imply any employment, partnership or principle/agent relationship between NURTURE NETWORK and me and does not entitle me to any eligibility for or entitlement to rights, benefits or privilege accorded by NURTURE NETWORK to its employees.
3. **Guarantee of Payment.** In consideration of NURTURE NETWORK underwriting such of my business as is accepted for good and valuable consideration, I guarantee the payment to NURTURE NETWORK of all premiums (including deposit and adjustable except as noted in Section 3) on policies of insurance placed by me as the producer. I further agree that such payment is due to NURTURE NETWORK in accordance with payment terms established from time to time by NURTURE NETWORK and is due whether or not I, as a producer, have collected the premium. I further agree that I shall be liable, and shall pay a return commission at the same rate as originally credited to me, for all return premium adjustments or cancellations made at the option of NURTURE NETWORK, the insured or otherwise. This guarantee shall be made good by me upon demand from NURTURE NETWORK at any time with respect to any uncollected premium or unpaid return commission then outstanding. If I do not make timely payment of any sums due NURTURE NETWORK, I understand that NURTURE NETWORK, without limitation of its other remedies, reserves the right to cancel policies for non-payment of premium. Payment of premiums must be received by NURTURE NETWORK on, or before, the fifteenth day of the month succeeding the invoice date.
4. **Uncollectible Premiums.** Premiums not paid according to section 3. will be subject to a late payment charge of 1 1/2% flat fee of the entire balance. All collection of expenses or fees, including reasonable attorney's fees, will be the responsibility of the producer.
5. **Fiduciary Responsibility of Producer.** Any monies collected by me, acting in the capacity of the producer for the account of NURTURE NETWORK, shall be held by me in a fiduciary account in accordance with the laws of the state in which the fiduciary account is located. The laws of certain states require me to obtain the written permission of the insurer before depositing such funds in interest bearing accounts or investments. It is my responsibility to request and obtain such permission from NURTURE NETWORK when so required by the laws of that state. Permission granted under this provision may be withdrawn at any time upon written notification to me by NURTURE NETWORK.
6. **Errors & Omissions.** I agree to maintain errors and omissions insurance covering my operations, including the obligations of this Agreement, in an amount not less than \$1,000,000 per claim and annual aggregate. I agree to provide NURTURE NETWORK with a copy of the errors and omissions insurance policy together with all amendments, endorsements, renewals, replacements and cancellations of such policy during the term of this Agreement.
7. **Member's Rights.** I understand that the principle benefit of participation in NURTURE NETWORK is the opportunity to sell insurance on behalf of insurance companies which issue insurance policies through members in NURTURE NETWORK understand and agree that as a member of the NURTURE NETWORK I have no right to use the name NURTURE NETWORK, or other trade names, trademarks, service marks or other proprietary marks of NURTURE NETWORK. As a member of the NURTURE NETWORK I am simply being provided an opportunity to expand the insurance markets available to my clients through companies which have contracted with NURTURE NETWORK.



8. **Brokering.** It is agreed and understood that business I place through the NURTURE NETWORK will be insurance for clients of my agency. I will not place "brokered" business for other retail agents through the NURTURE NETWORK.
9. **Use and Control of Producer's Work Product.** The use and control of my work product shall remain in my undisputed possession and ownership, and NURTURE NETWORK shall not use its records of those products in any marketing method for the sale, service, or renewal of any form of insurance coverage, or other product which shall abridge my right of ownership, use, and control, nor shall NURTURE NETWORK refer or communicate this product information to any other producer.
10. **Termination of Brokerage Agreement.** This Agreement may be terminated at any given time, with or without cause, as follows: 1.) by NURTURE NETWORK upon giving twenty four (24) hours written notice to me, (2) by me, upon giving fourteen (14) days prior written notice to NURTURE NETWORK.
11. **Direct Contracts with Insurers.** If, during the term of this Agreement or the six month period following termination of this Agreement, I and any insurance company involved in any transaction governed by this Agreement, establish a direct relationship that does not include NURTURE NETWORK: I will pay to NURTURE NETWORK for the next two (2) years, an amount equal to .001 of total annual written premium for that company, each month for the next twenty-four months.  
For example: I have enjoyed the advantages of the Agreement between NURTURE NETWORK and Insurance Company X to establish a book of business with Insurance Company X. Insurance Company X and I decide that we would like a direct relationship not involving NURTURE NETWORK. During the previous twelve months the business placed by NURTURE NETWORK for me in Insurance Company X totaled \$2,753,462. In annual written premium. I would make a payment to NURTURE NETWORK of \$2,753.46 on the first of the month after the new relationship between the company and me commences. I will continue to pay \$2,753.46 each consecutive month for the next twenty-three months (24 months in total).
12. **Dispute Resolution.** If any dispute or disagreement shall arise in connection with this Agreement, the parties shall make every effort to settle their dispute in good faith informally. If I dispute any aspect of the termination of this Agreement, I must notify NURTURE NETWORK in writing of the dispute within seventy-two hours of the date of the termination of the Agreement. If NURTURE NETWORK and I cannot agree on a written settlement to the dispute within ten (10) days after it arises, then the matter in controversy shall be settled by binding arbitration as set forth below. The parties must submit the dispute to three (3) arbitrators, consisting of members of NURTURE NETWORK. Each party will name one arbitrator in writing within ten (10) days after notice of arbitration is served by either party upon the other, and a third arbitrator will be selected by these two (2) arbitrators within ten (10) days thereafter. All information should be submitted by both parties to the arbitrators within ten (10) days of their final selection. Oral arguments may be scheduled by the arbitrators if they deem necessary. The determination of the arbitrators, which must be made within thirty (30) days of the selection of the arbitrators, shall be final and binding on all parties, provided such determination is made in writing and signed by a majority of the arbitrators. Judgment upon the final decision of the arbitrators may be entered in any court of competent jurisdiction. To commence arbitration each party will post \$500, to be held by the arbitrators to apply to the costs of arbitration. Upon judgment, the money paid by the prevailing party shall be returned and the other party shall pay all costs of arbitration. Notwithstanding the foregoing, the arbitrators may direct that costs be split equally between the parties.
13. **Run-off of Business.** Upon termination, all renewals within a one-year period following termination - that meet current underwriting standards - may be renewed at the companies' discretion for a term of at least one additional year, at the rate of commission in effect prior to termination.
14. **Commissions.** NURTURE NETWORK shall pay me the commissions set forth in the Commission Schedule attached hereto and hereby made a part of this Agreement. I understand and agree that NURTURE NETWORK may change the Commission Schedule, in whole or in part, at any time in its sole discretion, without prior notice to me. Commissions due to me are payable on the fifteenth day of the next month after NURTURE NETWORK has collected those commissions from the carrier. The maximum amount of "Upfront" commission retained by NURTURE NETWORK during a calendar year, after 2017, shall not exceed \$12,000. This retained maximum does not include contingent commissions and other bonus commissions. Any ambiguities that exist between the Producer & Premium Agreement and the current commission schedule shall default to the current commission schedule.
15. **Miscellaneous.** (a) NURTURE NETWORK assumes no responsibility toward any policyholder or sub-producer with regard to the adequacy, amount or form of coverage obtained through NURTURE NETWORK. (b) NURTURE NETWORK is under no obligation to place any business submitted by me and shall incur no liability for failure to place any risk. (c) I understand and agree that I have no right to, nor will I conduct business under the name of NURTURE NETWORK or otherwise offer insurance products using NURTURE NETWORK' tradename, trademarks, service marks or other proprietary names or marks.
16. **Direct Contracts with Insurers.** I agree that I may contract with individual carriers directly. I will use not use the NURTURE NETWORK companies as a market of last resort. I agree that in order to maintain communal integrity I will not attempt to contract direct with any NURTURE NETWORK carriers.
17. **Successor.** It is agreed and understood that should NURTURE NETWORK sell to any licensed agent licensed by the State of Minnesota that all rights under this agreement due NURTURE NETWORK will automatically transfer to that successor.



- 18. **Non-Compete.** I agree that I will abide by any non-compete agreements I may have. I further agree that I have disclosed all such agreements to NURTURE NETWORK.
- 19. **Policy Fees.** I may charge a policy fee to customers as long as the fee is disclosed to the customer and my policy fee amounts schedule has been approved by NURTURE NETWORK. The policy fees charged must also meet any and all state requirements. I agree to have the policyholder sign a policy fee form and will provide to NURTURE NETWORK upon request.
- 20. **Territory.** I will not receive an exclusive territory.
- 21. **Confidential Information Trade Secrets and Accounts.** I will, during the term of this agreement, be working with confidential information and trade secrets belonging to NURTURE NETWORK, including for example, internal procedures, programs, passwords, and forms. In addition, I will have access to lists of insured customers, information regarding habits and insurance needs of customers and prospects, personal information as to customers and prospects, locations and descriptions of insured properties or properties proposed to be insured, expiration date of insurance policies, insurance daily reports, and other information which is not generally or easily obtainable. I agree that all such information is confidential and is the exclusive property of NURTURE NETWORK unless specifically waived by NURTURE NETWORK. I agree that I will not disclose to anyone, either directly or indirectly -- either during the term of this agreement and following the termination of this agreement -- information regarding clients.
- 22. **Litigation.** NURTURE NETWORK will accept no responsibility for litigation and/or claims brought against me by any prior insurance carrier and/or agency for which I was appointed as an agent and/or worked as an employee.
- 23. **Cost of Enforcement.** – In the event NURTURE NETWORK is compelled to seek enforcement of this agreement or proceeds with an action against me for my default hereunder, I shall reimburse NURTURE NETWORK for all costs and expenses incurred, including but not limited to reasonable attorney fees.
- 24. **Carrier Relationships.** I will observe and abide by all stipulations set forth in the NURTURE NETWORK Carrier contracts.
- 25. **Termination Fee.** It is agreed and understood that NURTURE NETWORK will incur a large amount of expense to establish this relationship and will waive earned commission during the first twelve months to help me start my agency. Should I terminate this agreement I agree to pay a termination fee of \$15,000, unless the termination is mutually agreed upon, or my membership is terminated by NURTURE NETWORK.
- 26. **Advertising Fee.** I agree to pay NURTURE NETWORK a monthly advertising fee.
- 27. **Property of Nurture Network.** I agree that all material bearing the Insurance Partners or NURTURE NETWORK logo provided to me by NURTURE NETWORK remains the property of NURTURE NETWORK. Should this agreement be terminated by either party, I will return all unused materials to NURTURE NETWORK.

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

\_\_\_\_\_ Date \_\_\_\_\_  
 NURTURE NETWORK





# What's Right is Right

## Fraud

*A false representation of a matter of fact—whether by words or by conduct, by false or misleading allegations, or by concealment of what should have been disclosed—that deceives and is intended to deceive another so that the individual will act upon it to her or his legal injury.*

From time to time we hear of other aggregators offering to “warehouse” business for new members in the aggregator’s house accounts until the new member’s non-compete runs out.

We will not be party to that, or any other scheme, to subvert valid non-competes.



## Insurance Partners Commission Schedule

Effective 6/1/2017

### Commercial Lines P&C

#### All Commercial Companies (excluding Badger)

Level A Producers will be paid based on an InterAgency Retention of 2.0%

Level B Producers will be paid based on an InterAgency Retention of 3.5%

No member agency shall qualify for participation in contingent or profit-sharing commission if that member agency had an individual agency loss ratio over 100% with that particular carrier during the qualification period.

	<u>Ins. Partners Producer</u>	<u>The InterAgency</u>
<b>Badger Mutual Comm'l Lines</b>		
Package Policies		
New	12.5%	10.0%
Optional (Reduced Premium)	10.0%	7.5%
Renewal	10.0%	5.0%
Monoline Policies	10.0%	5.0%

Contingent is paid on basis of 50% of pro rata share. Producers must place a minimum of \$5,000 in Premium through Badger Mutual.

#### **Liberty Mutual Comm'l Lines**

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with Liberty Commercial Lines based on the following (based on written premium placed):

Level A	50%	50%
Level B	0%	100%

Contingent is paid on basis of 50% of pro rata share. Producers must place a minimum of \$5,000 in Premium through Liberty Mutual.

#### **The Travelers Comm'l Lines**

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with The Travelers Commercial Lines based on the following (based on written premium placed):

Level A	50%	50%
Level B	0%	100%

Contingent is paid on basis of 50% of pro rata share. Producers must place a minimum of \$5,000 in Premium through Travelers Commercial Lines.

#### **Harleysville/Nationwide Insurance Commercial Lines**

Profit Sharing Commission will be paid to those producers that place at least \$10,000 commercial lines and \$15,000 personal lines written premium with Harleysville/Allied Insurance: Contingent is paid on basis of 50% of pro rata share.



All Levels	<u>Ins. Partners Producer</u> 50%	<u>The InterAgency</u> 50%
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## Personal Lines P&C

### All Personal Lines Companies (excluding Badger)

- Level A+ Producers will be paid based on an InterAgency Retention of 2%
- Level A Producers will be paid based on an InterAgency Retention of 2.5%
- Level B Producers will be paid based on an InterAgency Retention of 3.5%
- Level C (If Applicable) Producers will be paid based on an InterAgency Retention of 4.0%

Contingency Commissions vary per Company. No member agency shall qualify for participation in contingent or profit-sharing commission if that member agency had an individual agency loss ratio over 100% with that particular carrier during the qualification period.

### **American Modern Insurance Group (AMIG)**

Level A Producer will receive 60% of bonus commission on a pro-rata bases

Level B Producer will receive 40% of bonus commission on a pro-rata bases

Agency must place \$50,000 in annual premium in AMIG through IP to qualify for Level A.

### **Allied/Harleysville/Nationwide Insurance Personal Lines**

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with Allied/Harleysville Personal Lines based on the following (based on written premium placed):

	<u>Ins. Partners Producer</u>	<u>The InterAgency</u>
Level A (Over \$75,000 in WP)	50%	50%
Level B (Less than \$75,000 WP)	40%	60%

### **Travelers Property Casualty Personal Lines**

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with Travelers' Personal Lines based on the following (based on written premium placed):

	<u>Ins. Partners Producer</u>	<u>The InterAgency</u>
Level A and A+ (Over \$100,000 in WP)	50%	50%
Level B (Over \$50,000 in WP)	40%	60%
Level C	20%	80%

### **Safeco Insurance Personal Lines**

- Safeco Level A*                      *Must quote 10 applications per week.*
- Safeco Level B*                    *Must quote 4 applications per week.*
- Safeco Level C*                    *Must quote 2 applications per week.*

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with Safeco's Personal Lines based on the following (based on written premium placed):



	<u>Ins. Partners Producer</u>	<u>The InterAgency</u>
Level A	50%	50%
Level B	40%	60%
Level C	20%	80%

**Kemper Insurance Personal Lines**

Profit Sharing Commission and Bonus Commission will be paid to those producers that place business with Kemper’s Personal Lines based on the following (based on written premium placed):

	<u>Ins. Partners Producer</u>	<u>The InterAgency</u>
Level A	50%	50%
Level B	40%	60%
Level C	20%	80%

**Badger Mutual Personal Lines**

Homeowners & Dwelling Fire: Direct billed policies will be paid based on an InterAgency Retention of 5.0% Agency billed policies will be paid zero (0.00%) commission on new business. At renewal policies will be direct billed and will be paid based on an InterAgency Retention of 5.0%



Producers will receive 50% of the pro-rata share of contingent, providing they place at least \$5,000 in annual premium in personal lines through Badger Mutual.

*Producers who leave Insurance Partners will receive no commission for renewal business placed through Insurance Partners beginning 60 days after the notice of termination of membership and will not share in contingent commissions.*

*Producers who have access to Insurance Partners, but lose access to a specific company, will receive 5% commission or the prevailing commission (whichever is less) for renewal policies.*

*The retained upfront commission for any Producer will be limited to \$12,000 in any one calendar year. This maximum does not include bonus commissions or contingent commissions.*

## INSURANCE PARTNERS

# COMMISSION FLOW





# Producer Application

1.) How would you use the Insurance Partners' Companies?

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2.) What is your agency's total property and casualty volume?

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3.) Do you carry Error's and Omission's coverage?

Company?

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Limits?

---

4.) Who are the top five property and casualty companies in your agency? (List annual premium volume for each.)

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5.) What current book of business do you plan to roll into the Insurance Partners' Companies?

Company?

---

Annual Premium?

---

Loss Ratio?

---

6.) Has the agency or any of its agents been the subject of any formal action by the Minnesota Commerce department or any other similar regulatory agency? If yes, provide detailed explanation.

Agency Contact Name:

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Agency Name:

---

Agency Address:

---

Mailing Address (if different):

---

Phone Number:

---

Fax Number:

---

E-Mail Address:

---

Date of Application:

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# Important Licensing Information

Please check those your agency will do.

\_\_\_\_\_ 1.) I will use Insurance Partners to quote all new business that comes into my agency that fits the Insurance Partners programs, both commercial and personal. If the Insurance Partners quote is competitive in coverage and price, I will present the quote to my prospective client.

\_\_\_\_\_ 2.) I will NOT use the Insurance Partners' companies as a market of last resort. I will try to place only that business that will produce an underwriting profit through the Insurance Partners companies.

\_\_\_\_\_ 3.) I will immediately move those books of business in my agency that currently are in companies that do not have a solid long term position in my agency.

\_\_\_\_\_ 4.) I will quote the Insurance Partners companies on all of my renewals. If the Insurance Partners quote represents a viable option for my client, I will present the quote to my client and give him the option to move.

\_\_\_\_\_ 5.) I will place at least 22 1/2% of my total property and casualty volume through the Insurance Partners by the third year of membership. (This does not include such things as crop insurance, which is not currently offered by the Insurance Partners.)

\_\_\_\_\_ 6.) I will use the Insurance Partners programs if my alternative is to use a stand alone specialty market.

\_\_\_\_\_ 7.) I will review every marketing plan offered to me through the Insurance Partners and will use these plans whenever possible.

\_\_\_\_\_ 8.) I will meet all Insurance Partners membership criteria.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Agency Name \_\_\_\_\_

Agency City \_\_\_\_\_

Questions?  
Call Jayne

763-694-9933



MORE DIALOGUE FROM

# THE NURTURING NETWORK

*Who should  
own the business?*

*Me!*

*At Insurance Partners our contracts use standard language regarding you owning your business!*



INSURANCE PARTNERS

INSURANCE PARTNERS | 104 Garfield St, St Paul, MN 55102 | 763-694-9933 | [interagency.com](http://interagency.com)

# INSURANCE PARTNERS IS AN AGENCY AGGREGATION THAT HAS BEEN IN BUSINESS SINCE 1989.

*We've Flourished through a Variety of Hard and Soft Insurance  
Cycles and Survived the Normal Run of Adverse Decisions Made  
by Insurance Companies that Plague Agencies.*

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*NURTURING... We Help Our Member  
Agencies Achieve Their Goals.*

---

*To Start the Process, Call Renson Anjere  
@ **612-716-1195** Or Request  
Our Prospective Members Booklet from  
**renson@interagency.com** or,  
Go to: **www.ourinspartners.com***



**INSURANCE PARTNERS**  
THE NURTURING NETWORK

**www.ourinspartners.com**  
**612-716-1195**



# **INSURANCE PARTNERS**

*The Nurturing Network*

**104 Garfield St  
St. Paul, MN 55102  
Phone: 763-694-9933**

**[ourinspartners.com](http://ourinspartners.com)**