

AMERICAN MOBILE INSURANCE EXCHANGE

ATTORNEY-IN-FACT AGREEMENT

This Attorney-in-Fact Agreement (this "Agreement") is made effective this 14th day of August, 2020 (the "Effective Date"), by and between American Mobile Insurance Exchange, a Florida reciprocal insurance company ("AMIE"), and American Mobile Risk Management, LLC, a Florida limited liability company ("AMRM"). The offices of AMRM will be located, together with the principal offices of AMIE, in Tallahassee, Florida but may be changed upon notice to the subscribers of AMIE (each a "Subscriber" and, together, the "Subscribers") and in compliance with the requirements of the laws of the State of Florida. AMIE and AMRM may each be referred to individually as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, as part of the application for insurance by each Subscriber, each Subscriber will, pursuant to their respective Subscriber's Agreement and Power of Attorney (the "Subscriber's Agreement"), appoint AMRM to act as such Subscriber's Attorney-in-Fact with the authority to exchange reciprocal insurance contracts among the Subscribers and to manage and conduct the business of AMIE, and

WHEREAS, AMIE and AMRM desire to set forth the terms and conditions upon which AMRM will accept its appointment as Attorney-in-Fact for the Subscribers to exchange their reciprocal insurance contracts and to manage and conduct the business and affairs of AMIE;

NOW, THEREFORE, in consideration of the mutual covenants and consideration contained in this Agreement and intending to be legally bound hereby, AMIE and AMRM agree as follows:

1. Acceptance of Appointment as Attorney-in-Fact: AMRM hereby accepts its appointment as Attorney-in-Fact pursuant to the Subscriber's Agreement to be executed by each Subscriber and agrees, as Attorney-in-Fact, to exchange reciprocal insurance contracts among the Subscribers as set forth in the Subscriber's Agreement.
2. Management Services: AMRM, either directly, or indirectly through its Administrative Services Agreement, dated August 14, 2020 (the "Services Agreement"), by and between AMRM and K2 Insurance Services, LLC, will furnish all employees and resources to perform necessary and appropriate management services for AMIE, including, without limitation by reason of specification the following functions on behalf of AMIE:

- a) The administration and management of the day-to-day insurance business of AMIE including, without limitation, the provision of all personnel for underwriting, claims, marketing, financial, legal and information technology functions and the provision of all senior management;
- b) The solicitation, receipt, and acceptance or rejection of applications for insurance and the determination of the acceptability of the risks involved in accordance with the underwriting policies and standards as established by AMRM;
- c) The underwriting, classification, rating and issuance of policies, endorsements and binders of insurance for AMIE in accordance with customary insurance practices;
- d) The establishment and maintenance of complete and accurate records of all reciprocal insurance contracts exchanged by AMRM on behalf of AMIE in accordance with the policies and standards established by AMRM;
- e) The collection, receipt and accounting for all funds received as payments of insurance premiums, contributions to surplus and other receipts, and the timely deposit of all such funds in a Federal Reserve System member bank or banks in the name of AMIE in accordance with the policies and procedures established by AMRM; the establishment and monitoring of loss reserves in accordance with sound insurance and actuarial practices and procedures; the borrowing of money on behalf of AMIE; the maintenance of all funds in accordance with applicable law; and the investment of assets in accordance with applicable legal requirements and the advice or instructions of investment advisors retained by AMRM, at the expense of AMIE;
- f) The establishment and maintenance of all financial and business records required by applicable laws, regulations, generally accepted insurance and accounting practices and in accordance with the policies and standards established by AMRM; and the preparation of all reports required by governmental and nongovernmental regulatory and supervisory authorities;
- g) The placement of reinsurance as required by law or by sound and accepted insurance and business practices, the payment of premiums thereof at the expense of AMIE, the maintenance of all necessary records in connection with such reinsurance, and the taking of all actions or the making of any claims required or permitted by such reinsurance;

- h) The provision and maintenance, directly, or indirectly through a third party claims administrator, of adequate claims supervision and facilities for the timely processing of all claims, notices and proofs of loss against AMIE and for the timely payment of claims on behalf of and at the expense of AMIE, including the employment of claims adjusters, attorneys and other personnel to handle claims on behalf of AMIE, with all allocated costs, unallocated costs and claim expenses to be paid by AMIE;
 - i) The retention of investment advisors, financial advisors, actuaries and other necessary consultants, at the expense of AMIE;
 - j) The preparation of mailings, advertisements, newsletters and other promotional and marketing materials;
 - k) The monitoring of legal affairs, including compliance with applicable legal requirements and the making of required filings with the Florida Office of Insurance Regulation and all other governmental authorities having jurisdiction over AMIE;
 - l) The appointment, supervision and termination of agents, brokers and personnel;
 - m) The development and maintenance of all systems and procedures necessary to comply with any insurer anti-fraud requirements of the State of Florida and any other jurisdiction in which AMIE is authorized to conduct business;
 - n) The commencement and defense, at the expense of AMIE, of legal and administrative proceedings brought by or against AMIE including acceptance of service of process on behalf of AMIE, entering legal appearances on behalf of AMIE and the compromise, litigation, defense and settlement of losses and claims; and
 - o) The taking of all such other actions as AMRM determines to be necessary, advisable or proper in order for AMRM to discharge its responsibilities and duties under this Agreement.
3. Management Fee: As compensation for the management services to be performed by AMRM as Attorney-in-Fact on behalf of AMIE as set forth in Section 2, above, AMIE agrees that AMRM is authorized to retain a percentage of AMIE's gross written premium. In consideration of the underwriting and marketing services provided to AMIE, AMRM will receive as compensation an amount equal to eighteen percent (18%) of the gross premium written of AMIE. This

percentage may be adjusted at any time as agreed to by both AMIE and AMRM subject to the written approval of the Florida Office of Insurance Regulation. Any changes to the percentages will be disclosed, in advance, to the Subscriber's Advisory Committee (the "Committee").

4. Payment of Expenses of AMIE: AMRM, on behalf of AMIE, is authorized to utilize the funds of AMIE, or utilize its own funds and be reimbursed by AMIE, to pay all of the expenses of AMIE including, without limitation by reason of specification, losses, loss adjustment expenses, investment expenses, legal expenses, reinsurance, commissions to agents and brokers, marketing costs, court costs, taxes, assessments, license fees, membership fees, the fees of attorneys, actuaries, accountants and investment and other advisors, governmental fines and penalties, the establishment and maintenance of loss and unearned premium reserves and surplus, reinsurance premiums and costs, audit fees, guaranty fund assessments and all other costs necessary for the proper and efficient operation of AMIE, including fees related to the startup and formation of AMIE or related to the administrative services provided by K2 Insurance Services, LLC pursuant to the Administrative Services Agreement. Additionally, AMRM will procure, at the expense of AMIE, directors and officer's liability insurance coverages for AMRM and the members of the Committee.
5. Records; Right to Audit: AMRM will keep records for the express purpose of recording the nature and details of the management services and financial transactions undertaken for AMIE pursuant to this Agreement. All books and records maintained by AMRM pertaining to the management services performed by AMRM as Attorney-in-Fact for the Subscribers pursuant to this Agreement are owned by AMIE. These books and records will be maintained by AMRM in a fiduciary capacity for AMIE. AMIE, and any regulatory authority having jurisdiction over AMIE, will have the right to examine and audit, at the offices of AMRM, at all reasonable times, all books and records of AMIE that pertain to the management services performed by AMRM as Attorney-in-Fact for the Subscribers, pursuant to this Agreement. This right of examination and audit will survive the termination of this Agreement and will remain in effect for as long as either AMIE or AMRM has any rights or obligations under this Agreement.
6. Subscriber's Advisory Committee Grievance Procedure: After AMIE has been in operation for one year, the senior management of AMRM will meet on a quarterly basis with the Committee to discuss any issues of concern made known by the Subscribers to the Committee. By the next quarterly meeting, if not sooner, the senior management of AMRM will provide the Committee with a written response to any issues of concern presented at the prior meeting, if any, including a description of the actions AMRM has undertaken to address the issues of concern in accordance with customary insurance practices. At the next meeting, the Committee shall advise the senior management of AMRM if the actions it took are reasonably addressing the issues of concern as originally

presented. If a majority of the members of the Committee are not reasonably satisfied with the results of the actions undertaken, AMRM, upon request from the Committee, shall present the issues of concern and its response to the Florida Office of Insurance Regulation for its guidance as to whether AMRM should undertake further action with respect to the issues of concern.

7. Term and Termination: This Agreement shall become effective as of the Effective Date, and shall continue in effect for a five-year term thereafter (the "Initial Term"), subject only to the right of termination as set forth in this Section. After the expiration of the Initial Term, this Agreement shall automatically renew for additional one-year terms (each a "Renewal Term") subject to the right of termination set forth below.

- a) Termination

- i. Mutual Termination: This Agreement may be terminated at any time by the written mutual agreement of both Parties.
- ii. Termination with Cause: AMIE, acting through the Committee, may terminate this Agreement at any time if the Florida Office of Insurance Regulation or a court of competent jurisdiction has determined by a final order that an event has occurred that constitutes a material breach of this Agreement or that would allow the Florida Office of Insurance Regulation to (i) suspend or revoke the license of AMIE or (ii) place AMIE in a form of receivership.

8. Arbitration

- a) As a condition precedent to any right of action arising under or out of this Agreement, the Parties agree that that any and all disputes or differences, including disputes concerning the formation and/or validity of this Agreement, shall be submitted to arbitration before a panel of three arbitrators, each of whom shall be an active or retired disinterested officer of a property and casualty insurance company. One arbitrator shall be chosen by AMIE, one arbitrator shall be chosen by AMRM and the third arbitrator will be chosen by the other two arbitrators. In the event any Party does not appoint an arbitrator within 60 days after the other Party requests it to do so, or if the two arbitrators selected by AMIE and AMRM fail to agree upon a third arbitrator within 30 days of the appointment of the second arbitrator to be appointed, the arbitrator or arbitrators, as the case may be, will, upon the application of any Party, be appointed by the American Arbitration Association and the arbitrators will proceed. The decision of the majority of the arbitrators will be final and binding on

all Parties. Each Party will bear the expense of its own arbitrator and one-half of the expenses of the third arbitrator and of the arbitration. Arbitration taking place under this section will take place in Florida unless otherwise agreed by the Parties in writing.

- b) Notwithstanding any dispute or difference of opinion arising under this Agreement, AMIE and AMRM must fulfill all obligations under the reciprocal insurance contracts exchanged by the Subscribers.

9. Indemnification

- a) AMIE will indemnify, defend and hold harmless AMRM and each member, officer, director, employee and agent thereof (each an "Indemnified Party"), from and against all claims, losses, damages, liabilities and expenses including, without limitation, settlement costs and any reasonable legal fees and expenses or other expenses for investigating and defending any actions or threatened actions incurred by an Indemnified Party as a result of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative including an action by or in the right of AMIE, relating to or arising out of the services provided by AMRM hereunder, except to the extent the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted the willful misconduct or recklessness, or gross negligence of the Indemnified Party.
- b) AMIE will pay expenses incurred by an Indemnified Party in defending any action or proceeding referred to in this Section 9 as they are incurred in such action or proceeding, provided AMIE receives an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by AMIE.
- c) As soon as practicable after receipt by any Indemnified Party of notice of the commencement of any action, suit or proceeding specified in Section 9(a) above ("Action"), such person shall, if a claim may be made against AMIE under this Section 9, notify AMIE in writing of the Action; however, the omission to notify AMIE will not relieve AMIE of any liability under this Section 9 unless AMIE is prejudiced thereby. With respect to any such Action as to which such person notifies AMIE, AMIE may participate in the Action at its own expense. AMIE may, independently or jointly with any other indemnifying party assume the defense of the Action, with counsel selected by AMIE. Counsel selected by AMIE shall be reasonably satisfactory to the Indemnified Party. After notice from AMIE of its election to assume the defense, AMIE will not be liable to the Indemnified Party under this Section 9 for any legal or

11. Miscellaneous


- a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
- b) AMRM is authorized, at its expense, to contract with others for the performance of the management services it has agreed to provide to AMIE under this Agreement, provided, however, that AMRM will remain responsible to AMIE for the proper and timely performance of all management services set forth in this Agreement.
- c) This Agreement may be amended at any time by an instrument in writing executed by the Parties with the prior written approval of the Florida Office of Insurance Regulation.
- d) This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter of this Agreement.
- e) This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.
- f) The headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- g) All words used in this Agreement will be construed to be of such gender or number as the circumstances require.
- h) Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

- i) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same agreement. Each Party may deliver its signed counterpart of this Agreement to the other Party by means of electronic mail or any other electronic medium utilizing image scan technology, and such delivery will have the same legal effect as hand delivery of an originally executed counterpart.

- SIGNATURE PAGE TO FOLLOW -

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written by the undersigned thereunto duly authorized.

AMERICAN MOBILE INSURANCE EXCHANGE

Signed: 

Name: Steve Hildebrand

Title: Chairman, Subscribers Advisory Committee

AMERICAN MOBILE RISK MANAGEMENT, LLC

Signed: 

Name: Jeffrey LeGare

Title: President

**FIRST AMENDMENT TO
ATTORNEY-IN-FACT AGREEMENT**

BETWEEN

AMERICAN MOBILE INSURANCE EXCHANGE

AND

AMERICAN MOBILE RISK MANAGEMENT, LLC

This First Amendment (the "Amendment") to that Attorney-in-Fact Agreement (this "Agreement") first made effective on August 14, 2020, by and between American Mobile Insurance Exchange, a Florida reciprocal insurance company ("AMIE"), and American Mobile Risk Management, LLC, a Florida limited liability company ("AMRM") is effective as of January 21, 2021.

RECITALS

WHEREAS, the Parties first entered into the Agreement on August 14, 2020.

WHEREAS, the Parties have acquired permanent office space in the state of Florida that will be the Statutory Home Office of AMIE and where the Parties will be co-located; and

WHEREAS, the Parties have discovered certain scrivener's errors in the executed Agreement; and

WHEREAS, the Parties desire have the Agreement correctly identify the address and contact for Notices to the other Party;

NOW, THEREFORE, in consideration of the mutual covenants and consideration contained in the Agreement the Agreement is amended as follows:

1. Paragraph 10. of the Agreement is replaced in its entirety with the following:

10. Notices

All notices, requests, demands, claims, and other communications between the Parties concerning the content and purpose of this Agreement shall be sent in writing by personal delivery, fax or by mail, registered or certified, postage pre-paid. Notices shall be addressed to the Parties as follows, or to such other addresses as may be specified by a Party from time to time by like written notice to the other

Party:

If to AMIE: 6170 Central Ave. N # 300
St. Petersburg, FL 33707
Attention: Chairman, Subscribers Advisory Committee

If to AMRM: 6170 Central Ave. N # 300
St. Petersburg, FL 33707
Attention: Jeffrey LeGare

Notices delivered personally shall be deemed communicated as of actual receipt; faxed notices shall be deemed communicated upon confirmation of having been sent; and mailed notices shall be deemed communicated as of three business days after mailing.

2. All other provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written by the undersigned thereunto duly authorized.

AMERICAN MOBILE INSURANCE EXCHANGE

Signed:  _____

Name: STEVE HILDEBRAND

Title: CHAIRMAN Subscribers Advisory Committee

AMERICAN MOBILE RISK MANAGEMENT, LLC

Signed:  _____

Name: JEFFREY P. LEGARE

Title: PRESIDENT