

## **Addendum To Agency Agreement Account Current Agreement**

The Agency Agreement entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_ ("Agent") and Company is hereby modified as follows:

Nothing herein contained shall be deemed to require the Agent to maintain a separate bank account for the premiums of Company, as long as the premiums of Company held in trust by the Agent are ascertainable from the books of accounts and records of the Agent. The Agent's privilege of deducting commissions from premiums before remitting, and the keeping of an account with the Agent on Company's books, similar to a creditor and debtor account, shall not be construed as changing or affecting the status of the Agent as holding the funds in trust. The Agent and Company shall comply with the following accounting procedures with respect to account current business:

1. Agent is responsible for collection of all premiums. Premiums so collected, except for commissions due, shall be the property of Company and shall be held by the Agent in a fiduciary capacity in trust for Company until remitted to Company. Agent shall not commingle such premiums with the Agent's own funds or with funds held by the Agent in any other capacity without the express written consent of Company.
2. Itemized statements of net amounts due shall be prepared monthly by Company and furnished to the Agent by the 5th day of the following month. The net amount due shall be the total of all premiums received less Agent's commission computed in accordance with Schedule A.
3. The balance shown in the statement shall be remitted to Company not later than fifteen (15) days after the end of the account month for which the statement was prepared. Agent will forward all premiums to Company or its designee in the manner specified by Company, including but not limited to electronic transmission. If payments are not timely made, Company has the right in its sole discretion to demand gross payment with each application upon notice to Agent, or to immediately terminate this agreement, without waiver of any other rights arising under the Agreement.
4. The omission of any item from the statement shall not affect the responsibility of either party to account for and pay all amounts due the other, nor shall it prejudice the rights of either party to collect all such amounts due from the other. All adjustments, however, shall be shown in the following month's account current.
5. Agent is authorized to advance premiums on behalf of policyholders, in which event Agent accepts full responsibility for such premiums. Agent shall be obliged to pay to Company all premiums chargeable to Agent's account in a timely manner, whether or not Agent has or is able to collect from the policyholder.
6. Company shall have access at all reasonable times to Agent's books and records for the purpose of determining any fact relating to amounts due Company on business placed with Company by Agent.
7. It is Agent's responsibility to cancel coverage or request Company to do so in the event of nonpayment of premiums to the Agent.

IN WITNESS WHEREOF, Agent and Company have caused this Agreement to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

AGENT: \_\_\_\_\_

BY: \_\_\_\_\_

COMPANY:

- PERMANENT GENERAL ASSURANCE CORPORATION
- PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO
- THE GENERAL AUTOMOBILE INSURANCE COMPANY, INC.

BY: \_\_\_\_\_

ITS: VP, IA Sales & Distribution