

Stroud National Agency, Inc.

Farm & Ranch Product Only

Profit Sharing Agreement

Company or Companies: UBI / AmTrust
St. Paul Travelers Agribusiness
American Reliable/American Bankers Insurance Company
Fireman's Fund Insurance Company

Agent Name Corporation Partnership Sole Proprietorship (Circle One)

City State Effective Date

Agreement Provisions

A. About This Agreement

By signing this agreement you become eligible to participate in our Farm & Ranch Profit Sharing Program.

“You” and “your” mean the agent name above. “We,” “us,” and “our” mean the company or companies indicated individually and collectively; provided, however, if so designated above, this agreement will apply only to Eligible Lines contracts placed with us through Stroud National Agency, Inc.

You also agree that our records, accounting methods and other procedures will control the determination of your eligibility for, and the computation of, any profit sharing payment under this agreement.

B. Eligible Lines of Insurance

In calculating your profit sharing payment, we will consider Farm & Ranch contracts only as eligible.

C. Your Profit Sharing Payment

When you meet the eligibility requirements set forth below, you may be entitled to an additional sum as calculated under this agreement. We call this additional sum a “profit sharing payment.” The information used in determining your eligibility for, and the amount of, any profit sharing payment under his agreement will be the information we record on your year-end Production Exhibit.

D. Eligibility For A Profit Sharing Payment

You are eligible for a profit sharing payment calculated under E below, if in the calendar year being evaluated:

Your total premiums written (gross less returns) for all Eligible Lines contracts equals or exceeds the Minimum Qualifying Volume of \$250,000; and

Your calendar year net loss ratio (including IBNR) in Eligible Lines does not exceed 55%

Your total GPW over the prior year has not decreased more than 15%

E. Calculation of Your Profit Sharing Payment

We will calculate your profit sharing payment as of December 31 of each calendar year that this agreement is in effect and you meet the eligibility requirements. Your profit sharing payment is determined as follows:

Step 1. Scoring

Gross Premium Written (less returns)	Points
\$1,000,000 or greater	5
\$ 750,000-\$ 999,999	4
\$ 500,000-\$ 749,999	3
\$ 250,000-\$ 499,999	2

Calendar Year Net Loss Ratio (including IBNR)	Points
25% or less	3
25.01% to 35%	2
35.01% to 45%	1
45% to 55%	0

Step 2. Payout Percentage

Based on your total point score determined in Step 1, a payout percentage is determined using the following table:

Total Points	Payout Percentage
8	3%
7	3%
6	2%
5	2%
4	2%
3	1%
less than 3	0%

Step 3. Calculation of Profit Sharing Payment

The amount of your profit sharing payment is calculated by multiplying the payment percentage determined in Step 2 by the total GPW (less returns) for all Eligible Lines.

F. Profit Sharing Payment Statement

Your profit sharing payment statement will be prepared after the end of each calendar year. We will deliver your statement and pay any profit sharing payment you may have earned at the same time. However, we will have the right to first deduct any amounts you owe us under any other agreements you may have with us before paying you your profit sharing payment.

G. How Changes Are Made In This Agreement

We may make changes in this agreement by notifying you in writing. If we change the Minimum Qualifying Volume or any of the tables set forth in E for any calendar year, we will notify you at least 60 days prior to January 1 of the year for which the revised volume will apply. For any other changes we make, we will give you at least 30 days advance written notice.

H. How This Agreement May End

1. Automatic Termination

This agreement will end automatically, without notice, if the Insurance Agency Agreement between you and us ends for any reason. The provision does not apply if we immediately enter into a replacement Insurance Agency Agreement with you.

2. Written Notice

Either you or we may end this agreement at any time by written notice to the other. Should we elect to end this agreement, we will notify you in writing at least 30 days prior to the effective date.

I. What Happens When This Agreement Ends

If this agreement is terminated and is not replaced immediately by another profit sharing agreement between you and us covering the Eligible Lines, the calendar year in which this agreement ends is the last calendar year for which you will be eligible for a profit sharing payment. If this agreement ends before the full calendar year is completed, its terms will apply without proration for the calendar year in which this agreement was terminated.

We will send you your final profit sharing payment statement, plus any payment you may have earned, after the end of the termination calendar year.

Signed _____	For Agent	Signed _____	For Company
Title _____		Title _____	
Date _____		Date _____	
