

AMERICAN MOBILE INSURANCE EXCHANGE

SUBSCRIBER'S AGREEMENT AND POWER OF ATTORNEY

The undersigned Subscriber ("Subscriber") to American Mobile Insurance Exchange ("AMIE"), a Florida domestic reciprocal insurer offering personal insurance coverages, agrees together, with all other subscribers to AMIE, and with American Mobile Risk Management, LLC ("AMRM"), a Florida limited liability company, as the attorney-in-fact ("Attorney-in-Fact) for AMIE, as follows:

1. Power of Attorney: The Subscriber hereby appoints AMRM as the Attorney-in-Fact with the express authority and permission to effectuate and conduct the lawful business affairs of AMIE. This authority includes the ability to carry out all customary functions of a reciprocal insurance company, including but not limited to the following responsibilities:

- Exchange with other subscribers to AMIE any and all kinds of reciprocal insurance contracts for which AMIE is authorized by law to write
- Issue, exchange, renew, non-renew, or cancel or modify insurance policies
- Adjust, settle, defend, litigate, appeal, and pay claims or losses under the insurance policies of subscribers
- Act as intermediary to obtain reinsurance
- Accept service of process on behalf of AMIE in actions against AMIE upon contracts exchanged
- Open accounts and borrow money in the name of AMIE
- Hire and compensate personnel and agents
- Collect premiums and invest and reinvest funds
- Receive notices and proof of loss

This power of attorney is limited to the purposes described in this Subscription Agreement.

In consideration for the services provided to AMIE, AMRM will deduct from advance premium and/or collect from deposits its initial compensation as follows:

- [18%] of Gross Written Premium for Marketing and Underwriting Services

The amount of compensation to AMRM as set forth in detail in the Attorney-in-Fact agreement (the "AIF Agreement") may be modified or reviewed as agreed to by both AMIE and AMRM, however, compensation for Marketing and Underwriting services will always remain between 12% and 20% of Gross Written Premium. Any changes to AMRM's compensation are subject to prior approval by the Florida Office of Insurance Regulation ("OIR") and will be disclosed in advance to the Subscribers Advisory Committee described herein.

AMIE shall also pay commissions to insurance agents in the amount of 10% for new business and 10% for renewal business. These commissions shall be paid through American Mobile MGA, LLC (AM MGA), an affiliated managing general agent that is wholly-owned by AMRM. AMIE shall also pay 4% of Gross Earned Premium for Claims Service and Management to AM MGA.

In addition to losses and the fees outlined above, AMIE will retain the following expenses:

- Loss adjustment expenses for catastrophe claims
- Investment expenses

- Legal and advisory expenses
- Branding development and management
- Court costs
- Taxes, assessments, license fees, membership fees
- Governmental fines and penalties
- Reinsurance premiums and costs
- Audit fees
- Guaranty fund assessments, and
- All other costs necessary for AMIE's proper and efficient operation.

The AMRM offices will be the same as AMIE's principal office, located at 6170 Central Ave N # 300, St Petersburg, FL 33707, but may be changed upon notice to the Subscriber and in compliance with the requirements of the State of Florida.

The arrangement between AMIE and AMRM is further outlined in the AIF Agreement, available for review at www.americanmobileinsurance.com, or upon request.

- 2. Exchange of Policies:** The Subscriber hereby offers and agrees to exchange policies with the other subscribers to AMIE. The Subscriber understands and agrees that the reciprocal insurance contracts to be exchanged hereunder are non-assessable consistent with section 629.261, Florida Statutes, thereby limiting the liability of the Subscriber to AMIE to costs associated with the policies of insurance only.
- 3. Subscribers' Advisory Committee:** The Subscriber understands that AMIE and AMRM have established a Subscribers' Advisory Committee, pursuant to section 629.201, Florida Statutes, to assist AMRM in supervising the operations of AMIE. The Subscriber understands and agrees, that unless said Subscriber is a member of the Subscribers' Advisory Committee, the Subscriber is not entitled in any way to participate in the management of AMIE. The duties of the Subscribers' Advisory Committee are set forth in the "Subscribers' Advisory Committee Charter" document, available for review at www.americanmobileinsurance.com, or upon request. The Subscriber agrees to hold harmless each and every member of the Subscribers' Advisory Committee from any liability that may arise from or is in any way connected with the member's participation on the Subscribers' Advisory Committee of AMIE. This hold harmless provision does not apply where the member acted with willful misconduct or recklessness, or gross negligence, in the performance of his or her duties as a member of the Subscribers' Advisory Committee.
- 4. Policyholder Surplus:**
 - a) Surplus Contribution.** The Subscriber agrees to pay his or her policy premium and agrees to make, in addition to policy premiums, a surplus contribution to AMIE ("Surplus Contribution"). The surplus contribution is payable to AMIE on or prior to the initial effective date of coverage and within 30 days of the effective date of all endorsements generating an additional premium. The Surplus Contribution will be made during the first five full years of membership. The possibility of future surplus contributions, if any, will be determined by the Subscribers' Advisory Committee and communicated to the Subscriber prior to renewal of the Subscriber's policy(ies)
The current Surplus Contributions are based on the total premiums written and will be:
 - [5% of Subscriber's total annual Mobile Homeowners and Dwelling Fire Premiums],
 - b) Purpose of Surplus Contribution.** Subscriber understands and agrees that the amounts paid

as surplus contributions will be credited as policyholder surplus for the benefit and protection of all AMIE subscribers and that surplus contributions made to AMIE are not premiums for insurance. Subscriber understands and agrees that the ability of AMIE to return surplus contributions to its Subscribers is subject to provisions of this Section 4 and is limited by law.

c) **Return of Surplus Contribution.** Upon the issuance of an insurance policy, or other confirmation of coverage by AMIE, the return of surplus contributions can occur only after withdrawal of the subscriber from AMIE and, only with the approval of AIF and the Florida Office of Insurance Regulation, and as set forth in this Agreement. In the event of policy cancellation, AMRM will return any surplus contributions (without interest) made during that policy term on a pro-rata basis to those subscribers who terminate coverage for any reason. All other surplus contributions, including those made on previous policy terms, will be retained by AMIE for the benefit of all remaining subscribers.

d) **Limitations on Distributions of Surplus Contributions:** No payment of a returned surplus contribution will be made to a terminated subscriber if such payment could risk the financial impairment of AMIE. Payments could be delayed if the total payments of Surplus Contributions within the preceding 12 months to any terminated subscribers to AMIE would exceed the lesser of (a) ten (10) percent of AMIE's total surplus as of the preceding December 31, or (b) AMIE's total net income before federal income taxes for the preceding full calendar year. If payment to more than one terminated subscriber is delayed pursuant to the requirement set forth in this Section, the total amount which may be paid to terminated subscribers will be paid pro rata to all such terminated subscribers, who meet the conditions to receive distributions of surplus contributions set forth in this document, on an equitable basis as determined by AMRM, in its sole discretion, and as allowed by law.

Any payments delayed pursuant to this requirement will be paid as soon as possible when payment can be made in compliance with this Section. If this Section (4) is found to conflict with other terms of this Agreement, this Section (4) supersedes all other terms and conditions of this Agreement.

5. Rejection of Coverage: Subscriber understands and agrees that AMIE has an obligation to its subscribers to maintain strict eligibility and underwriting requirements. AMIE has the right to reject any application for insurance including this Subscriber's Agreement and the offer of payment of premium and surplus contribution. If such a rejection of coverage occurs after receipt of the surplus contribution by AMIE, the surplus contribution will be returned to the prospective Subscriber, without payment of interest. An existing Subscriber applying for additional lines of coverage is not guaranteed acceptance for those new lines of coverage.

6. Termination: This agreement may be terminated at any time by the Subscriber or AMRM, by terminating all insurance policies issued to the Subscriber, subject to policy provisions and Florida law. Upon the termination of all insurance policies of the Subscriber, subject to the approval of the Florida Office of Insurance Regulation and as set forth in this Agreement, including Section 4. d), the balance of any eligible surplus contribution, after allocation of expenses and claims, will be returned to the Subscriber, within six (6) months.

7. Collateralization of Assets: No assets or future dividends of AMIE may be pledged or collateralized on behalf of any subscriber for any purpose.

8. Return of Surplus upon Liquidation: The Subscriber understands and agrees that in accordance

with Section 629.281, Florida Statutes, upon the liquidation of AMIE, its assets will be distributed to its Subscribers who were such within the 12 months prior to the termination of its certificate of authority, subject to regulatory approval. The assets of AMIE to be distributed upon regulatory approval, are those remaining after the discharge of its indebtedness and policy obligations, the return of any surplus notes or other contributions made to surplus, and the return of any unused premium.

9. Binding Agreement: The Subscriber hereby acknowledges receiving and reviewing the Powers of the Subscribers' Advisory Committee and the Attorney-in-Fact Agreement, (available at www.americanmobileinsurance.com or from your insurance broker), prior to executing this Agreement. This Agreement will be accepted by AMRM only when signed by the Subscriber.

Subscriber agrees that this Subscriber's Agreement, including the power of attorney set forth herein, will apply to all insurance policies for which the undersigned Subscriber has applied or will apply at AMIE. The Subscriber understands and agrees that the terms and conditions of the Subscribers Agreement, the Powers of the Subscribers' Advisory Committee, and the Attorney-in- Fact agreement will be valid and binding and acknowledged and accepted upon AMRM and the undersigned Subscriber and their respective personal representatives, administrators, successors, and assigns, as indicated by the Subscriber's signature below.

THIS SUBSCRIBERS AGREEMENT AND ALL MATTERS RELATING TO ITS VALIDITY, INTERPRETATION, PERFORMANCE, AND ENFORCEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA (WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THEREOF)

Signature and Receipt Acknowledgment Page to Follow

Signature and Receipt Acknowledgment

The Subscriber's acceptance of all terms and conditions contained herein is indicated by his or her signature below:

Signature

Printed Name

Date

Receipt Acknowledged:

American Mobile Insurance Exchange, a Reciprocal Insurance Company

By: American Mobile Risk Management, LLC, Attorney-in-Fact