

AmRisc L.P.
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TO: AmRisc Producers

RE: ***Elite Producer Program – 2011 Guidelines - Wholesale***

AmRisc's Elite Producer Program general rules and guidelines are as follows (AmRisc reserves the right to change the rules at any time):

- AmRisc appointments and Elite status will be achieved independently for each office of an appointed producer (hereafter "Producer - Office".)
- Elite status is achieved on a yearly basis based on the performance in the prior calendar year. Elite status will be determined in January and become effective February 1st each year.
- Quarterly, AmRisc will make available the point level achieved Year-To-Date and the corresponding Elite Producer Status. Elite status levels will be posted to our website at www.amrisc.com. If sufficient points are achieved to obtain a higher status level in the quarterly update then the increased benefits will be recognized upon the quarterly posting.
- Appointed Producer-Offices need to achieve at least Gold level status or higher within the first year of appointment. If not, AmRisc will discontinue their appointment 45 days after the end of the any quarter in the second year.
- Accounts will be labeled and handled according to the Producer Office's Elite level status at the time the submission is received and logged into AmRisc.
- Producer-Offices (from appointed producer companies) that have not been appointed for at least 12 months can submit a request for appointment or re-appointment to their Relationship Manager. This request should include AmRisc's Producer Application including their in force commercial property premium and the premium level which can be committed to AmRisc over the next 90 days and 12 months. Appointments will only be considered if the prospective Producer-Office can demonstrate that they currently produce at least at Gold level. After 90 days if the Office is not on track to achieve at least Gold level, the appointment will be discontinued effectively immediately.
- All point qualification will be based on AmRisc records, which may or may not be complete. Producers can request an audit trail of their accounts if they can demonstrate that the written premium per AmRisc's records is more than 5% off from their records. Premiums may be accounted for in the period they are booked rather than the period they are bound.
- Each producer company with over 500,000 points on a company basis will be able to designate a "High Potential" Office which will start at Gold Status for the remainder of the calendar year.
- Accounts that are not paid when due will be deducted from the point calculation. Once DNOC is sent, the points are deducted regardless of whether the premiums are subsequently collected.
- An AmRisc Relationship Manager will be assigned for each producer at the company level. Questions should be addressed to your company's assigned Relationship Manager.
- AmRisc reserves the right to discontinue the program and / or change the guidelines, benefits and rules at any time. Benefits and priority status do not represent any contractual agreement or liability on AmRisc's part.

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AmRisc Elite Producer “Points” are calculated on an annual basis as follows:

- Points = Sum of (NWP * Location Factor * Expense Factor) * Hit ratio

- NWP = Gross written premium less return premiums less late payment premiums
- Location Factor is as follows:
 - 1.0 for Critical Cat
 - Any location in High Demand; subject to change at discretion of AmRisc.
 - Factor applies to the whole account when any one material location is in a Critical Cat zone.
 - 2.0 for Non-critical cat
 - any exposure in Tier 1 or 2 counties other than Critical cat
 - 5.0 for Non-cat and Tech in non-critical cat zones
 - No exposure in Tier 1 or 2 counties or critical EQ coverage
- Expense Factor = 20% less paid commission
 - (e.g. 15% paid commission = 20% less 15% = 5%).
- Hit ratio is the number of accounts bound over the number submitted (%)