

# Independent Associate Agreement

**THIS AGREEMENT** is made and entered into by and between **NS Federation Insurance Services, Inc.**, a California C Corporation (hereinafter referred to as "NS Federation" or "Company"), and the undersigned individual or entity (hereinafter referred to as the "Associate").

## 1. Relationship of the Parties

- 1.1 The Associate shall operate as an independent contractor. Nothing in this Agreement shall be construed as creating an employer–employee relationship, partnership, joint venture, fiduciary relationship, or agency relationship between NS Federation and the Associate.
- 1.2 The Associate has full discretion to determine their own work hours, business methods, marketing activities, and place of work.
- 1.3 The Associate does not have, and shall not represent themselves as having, authority to bind NS Federation to any agreement, contract, or obligation unless expressly authorized in writing.

## 2. Voluntary Affiliation Certification

- 2.1 The Associate certifies that they are joining NS Federation voluntarily, of their own free will, without solicitation, inducement, pressure, or obligation from NS Federation or its existing Associates.
- 2.2 The Associate acknowledges that NS Federation did not advise, direct, or influence them to terminate or alter any prior business affiliation.
- 2.3 The Associate assumes full responsibility for their decision to affiliate with NS Federation and agrees to hold NS Federation harmless from any claims, disputes, allegations, or proceedings involving any prior agency, organization, or up-lines.

## 3. Duties, Representations & Warranties of the Associate

The Associate represents, warrants, and agrees to:

- 3.1 Maintain all required licenses, appointments, continuing education, and regulatory standing.
- 3.2 Comply with all applicable federal, state, and local insurance laws and regulations.
- 3.3 Act honestly, ethically, professionally, and in the best interest of clients.
- 3.4 Submit applications truthfully and promptly, and comply with all carrier underwriting requirements.
- 3.5 Maintain active Errors & Omissions (E&O) insurance.
- 3.6 Not accept, handle, or deposit client funds unless permitted by law and carrier rules.
- 3.7 Use only Company-approved or carrier-approved marketing materials.
- 3.8 Immediately report any regulatory inquiries, investigations, complaints, or compliance concerns.
- 3.9 Not misrepresent products, compensation, or the nature of the Company's business model.
- 3.10 Not promise, guarantee, or imply investment returns, tax outcomes, underwriting results, or policy performance.

## 4. Authority of the Associate

- 4.1 The Associate is authorized solely to solicit applications for products offered through NS Federation and its carrier partners, subject to proper licensing.
- 4.2 The Associate is not authorized to:
  - Bind coverage or accept risks
  - Approve or guarantee underwriting results
  - Represent that NS Federation guarantees compensation
  - Represent that NS Federation reimburses licensing fees
  - Represent themselves as an employee or agent of NS Federation
  - Represent any ownership, partnership, or governance role in the Company

## 5. Compensation

- 5.1 The Associate's commission level is determined by the NS Federation Compensation Schedule, as amended from time to time at the Company's sole discretion.
- 5.2 Commission Payment Methods  
Depending on carrier policy:



(a) Direct Pay: Some carriers pay commissions directly to the Associate.

(b) Agency Pay: Other carriers pay commissions to NS Federation first. NS Federation will pay the Associate based on the net commissions actually received, multiplied by the Associate's commission level.

This arrangement ensures accurate and transparent compensation regardless of the carrier's payment method.

5.3 NS Federation may offset chargeback, debts, fees, or obligations from future commission payments.

5.4 Commissions are not guaranteed, are not wages, and may be modified or discontinued in accordance with carrier rules and Company policies.

## 6. Confidentiality, Intellectual Property & Data Protection

The Associate agrees to:

- 6.1 Maintain strict confidentiality regarding Company information, systems, tools, training materials, compensation structures, technology, and client data.
- 6.2 Not copy, reproduce, disclose, or use Company intellectual property except as authorized.
- 6.3 Comply with privacy laws including HIPAA, GLBA, and state privacy statutes.
- 6.4 Return all Company materials upon termination. All confidentiality and IP obligations shall survive termination of this Agreement.

## 7. Non-Solicitation & Non-Disparagement

7.1 The Associate shall not solicit or attempt to solicit any NS Federation Associate, employee, or contractor for the purpose of inducing them to leave NS Federation.

7.2 The Associate shall not disparage NS Federation, its leadership, its associates, or its business operations in any form, including verbal, written, digital, or online communication.

7.3 These obligations survive termination of this Agreement.

## 8. Termination of Agreement

8.1 The Associate may terminate the Agreement upon written notice.

8.2 NS Federation may terminate this Agreement at any time, with or without cause, upon written notice.

8.3 Immediate termination may occur for:

- License suspension or revocation
- Fraud, misrepresentation, or unethical conduct
- Regulatory violations
- Breach of this Agreement
- Actions harmful to NS Federation's reputation or business

8.4 Upon termination, the Associate must cease representing NS Federation and return all confidential materials.

## 9. Indemnification

The Associate agrees to indemnify, defend, and hold harmless NS Federation, its owners, officers, directors, employees, and contractors from any claims, losses, liabilities, penalties, damages, costs, or attorney's fees arising out of:

- The Associate's actions or omissions
- Misrepresentation, negligence, violations of law, or breach of this Agreement
- Disputes with prior agencies or organizations
- Regulatory complaints or enforcement actions

This indemnification obligation survives termination.

## 10. Limitation of Liability

To the fullest extent permitted by law:

10.1 NS Federation shall not be liable for lost profits, indirect, incidental, consequential, or punitive damages.

10.2 NS Federation's total cumulative liability for any claim shall not exceed the commissions actually paid to the Associate during the six (6) months preceding the event giving rise to the claim.

10.3 NS Federation makes no guarantees regarding earnings, carrier appointments, underwriting results, or product availability.



## 11. Arbitration & Governing Law

All disputes arising out of or relating to this Agreement shall be resolved exclusively through binding arbitration under the rules of the American Arbitration Association.

11.2 Arbitration venue shall be **Los Angeles County, California**.

11.3 Governing law shall be the laws of the State of California, without regard to conflicts-of-law principles.

11.4 Judgment on the arbitration award may be entered in any court of competent jurisdiction.

## 12. Additional Legal Provisions

Severability: If any provision is found unenforceable, the remainder shall remain in effect.

12.2 Waiver: Failure to enforce any provision does not constitute a waiver.

12.3 Assignment: The Associate may not assign this Agreement. NS Federation may assign to successors or affiliates.

12.4 Survival: Confidentiality, indemnification, non-solicitation, non-disparagement, and limitation-of-liability provisions survive termination.

12.5 Entire Agreement: This Agreement supersedes all prior agreements or representations.

12.6 Amendment: Amendments must be in writing and signed by NS Federation.

## 13. Media Release and Leadership Recognition

13.1 NS Federation may use the Associate's name, photograph, likeness, voice, video recordings, testimonials, and leadership achievements for recognition, education, training, cultural development, and promotional purposes. Such use reflects NS Federation's entrepreneurial culture of leadership, empowerment, and community celebration.

13.2 Materials may appear in newsletters, training materials, recognition programs, digital or printed communications, social media platforms, NS Federation websites, online events, or other media supporting the Company's mission.

13.3 The Associate grants permission for such use without expectation of compensation, royalties, ownership rights, or prior approval. The Associate waives any right to review or approve final materials.

13.4 The Associate may opt out of public performance recognition by submitting a written Performance Recognition Opt-Out Form. NS Federation will honor such requests without affecting the Associate's standing, compensation, or advancement opportunities.

13.5 This media release remains effective beyond termination of the Agreement unless revoked in writing by the Associate and acknowledged by NS Federation.

13.6 NS Federation is not obligated to publish or use any materials related to the Associate. This clause solely grants permission when such use is aligned with Company activities and values.

## 13. Signatures

**Legal Name (Please Print):** \_\_\_\_\_

**Agent Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Agent ID:** \_\_\_\_\_

**Managing Director Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_





# NS Federation Promotion Guide

Commission				Qualifications			Launch30 Program	
	Associate		Performance Track (Personal Production)		Leadership & Growth Track		(30 Day Accelerated Promotion)	
50%	CA	Core Associate	Begin your journey into the Federation	Licensed & Contracted with NS Federation		N/A		
55%	SA	Senior Associate	Strengthen your professional foundation	\$30,000 (rolling 12 months)		N/A		\$10,000 Qualification Points
60%	EA	Elite Associate	Build your own business brand	\$45,000 (rolling 12 months)		N/A		\$15,000 Qualification Points
MD								
65%	AMD	Alliance Marketing Director	Your business takes flight	\$75,000 (rolling 6 months)	OR	\$50,000 QV (rolling 6 months) or \$75,000 (rolling 12 months)	+ 2 Active Growth Lines	\$30,000 Qualification Points
75%	SMD	Senior Marketing Director	Lead with greater influence	\$125,000 (rolling 6 months) or \$180,000 (rolling 12 months)	OR	\$150,000 QV (rolling 6 months) or \$225,000 QV (rolling 12 months)	+ 3 Active Growth Lines	NA
80%	NMD	National Marketing Director	Grow your national business footprint	NA		\$250k QV (rolling 6 months) or \$350k (rolling 12 months)	+ 4 Active Growth Lines	NA
85%	EMD	Elite Marketing Director	Expand your leadership nationwide	NA		\$500k QV (rolling 6 months) or \$750k (rolling 12 months)	+ 5 Active Growth Lines	NA
CEO Leadership								
90%	CEO (D)	CEO Director	Lead your business like a true CEO	NA		\$650k QV (rolling 6 months) or \$1M (rolling 12 months)	+ 6 Active Growth Lines	NA
90% + Profit Sharing	CEO (F)	CEO Federation	Share in the Federation's highest success	NA		\$800k QV (rolling 6 months) or \$1.2M (rolling 12 months)	+ 6 Active Growth Lines	NA
Note:								
1. Definition of Active Growth Line				2. QV (Qualified Volume) Calculation Formula		3. Launch30 Program (Accelerated Promotion) Requirement (within first 30 days):		
• Must include at least two activated team members (licensed + onboarding completed + production eligibility activated)				• Personal Production is capped at one-third (1/3) of total QV				
				• Each Active Growth Line is capped at one-third (1/3) of total QV				
• Must generate > \$20,000 Qualified Volume (QV) within the evaluation period				• Non-Growth Lines contribute QV based on system-defined capped allocation				
• Each Active Growth Line can contribute up to one-third (1/3) of total QV				Formula: QV = Personal Production (max 1/3) + Growth Lines (each max 1/3) + Non-Growth Lines (capped contribution)				

## Minimum Yearly Personal Production Requirement (PPR)

### 1. Purpose of the PPR Standard

To support NS Federation's entrepreneurial leadership culture, each leadership rank includes a corresponding Minimum Yearly Personal Production Requirement (PPR). This standard reflects NS Federation's expectation that leaders actively engage in client service, maintain professional credibility, and model strong field performance.

### 2. Annual PPR Requirements

The following leadership titles and production requirements apply within each calendar year:

- Alliance Marketing Director (AMD) — *\$10,000 per calendar year*  
Required to qualify for override on direct downline production.
- Senior Marketing Director (SMD) — *\$20,000 per calendar year*  
Required for SMD-level override eligibility and team leadership recognition.
- National Marketing Director (NMD) — *\$30,000 per calendar year*  
Required for national-level override and broader organizational influence.
- Elite Marketing Director (EMD) — *\$40,000 per calendar year*  
Required for elite-level override and advanced leadership responsibilities.
- CEO Director (CEO (D)) — *\$50,000 per calendar year*  
Required to maintain full CEO(D) override structure and uphold top-tier field leadership standards.
- CEO Federation (CEO (F)) — *\$50,000 per calendar year*  
Required to maintain full CEO(F) override structure and uphold top-tier field leadership standards.



### 3. Effect of Not Meeting the Annual PPR

If the Associate does not satisfy the PPR for their leadership rank in a given calendar year:

- Override compensation at that rank may be reduced, paused, or forfeited for that year;
- Such adjustment does not constitute a demotion or loss of leadership rank;
- Full override eligibility is restored upon meeting the PPR requirement in a subsequent calendar year.

### 4. Purpose and Spirit of This Requirement

The Minimum Yearly PPR is intended to:

- Promote active and consistent client engagement
- Strengthen leadership credibility within the organization
- Encourage sustainable and ethical business development
- Support NS Federation's high standards of professionalism, excellence, and field empowerment

The PPR standard is not punitive; it is a leadership accountability measure aligned with NS Federation's guiding values.

### 5. Industry Alignment

This approach aligns with performance standards and leadership expectations upheld by major insurance and financial marketing organizations across the industry.

### 6. NS Federation Rights

NS Federation reserves the right to adjust PPR thresholds, measurement cycles, and override qualification criteria as necessary to meet regulatory requirements, business strategy, and organizational growth needs.

**Legal Name (Please Print):** \_\_\_\_\_

**Agent Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Agent ID:** \_\_\_\_\_

**Managing Director Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

