

PRODUCER AGREEMENT

This AGREEMENT is made and entered into this _____ day of _____, _____ by and between Pascal Burke Insurance Brokerage, Inc. and Insura Prime Insurance Brokerage, Inc. ("PBIB/IPIB"), and _____ (Entity Name, State and County Corporation Registered)

WITNESS

WHEREAS, PBIB/IPIB and all its various subsidiaries represent insurance companies and other similar entities in the placement and writing of Insurance and Reinsurance generally; and

WHEREAS, Producer requires the services of PBIB/IPIB to place insurance for its clients commonly referred to as insured's; and

WHEREAS, PBIB/IPIB and Producer desire to enter into an Agreement, which includes a commission arrangement, and independent control by Producer of the Insurance business placed through PBIB/IPIB and an understanding of the rights and obligation of each;

NOW, THEREFORE, in consideration of these mutual agreements, the sufficiency of which is acknowledged, it is agreed as follows:

SECTION 1. SCOPE OF AGREEMENT

This Agreement governs the relationship between PBIB/IPIB and Producer and is binding upon the parties and their respective heirs, successors and assigns. It is further understood that this Agreement replaces any prior Agreement between the parties, constitutes the entire agreement of the parties, and may not be changed or modified unless in writing, signed by the parties.

SECTION 2. PRODUCER'S STATUS AND DUTIES

- a. It is understood that Producer is an independent contractor and not an agent of PBIB/IPIB. Producer has no authority to bind PBIB/IPIB or any insurance company or underwriter represented by PBIB/IPIB.
- b. Producer shall have ownership of all business subject to this Agreement. Producer agrees to keep complete records and accounts of all transactions and will allow PBIB/IPIB to inspect and audit all such records and accounts.

c. Producer acknowledges its duty to fully inform all clients of the terms, conditions, exclusions and limitations of any insurance placed through PBIB/IPIB. Producer further acknowledges its responsibility to request proper coverages for its clients, review all quotes, policies and binders for accuracy and keep Producer's clients fully informed.

SECTION 3. PLACEMENT OF ORDERS

Producer shall follow all state statutes prior to placing any order for insurance or excess surplus lines insurance with PBIB/IPIB. Coverage may only be bound in writing; oral telephonic communication is not sufficient. Facsimile or email communications are acceptable if signed. Receipt of cash with or without application for a policy will not constitute automatic binding coverage for said policy.

SECTION 4. LICENSING

Producer warrants that it is properly licensed to sell insurance in its state of domicile, and all other states in which Producer sells insurance, and agrees to act in compliance with all laws and regulations regarding placement of insurance with admitted and/or non-admitted insurance companies in each such state.

SECTION 5. PREMIUM PAYMENT TERMS

TERMS OF PAYMENT

PBIB/IPIB is a paperless operation and ONLY ACCEPTS PAYMENTS VIA ACH or Credit Card. Payments must be received by PBIB/IPIB within 10 days from the policy effective date. Notice of cancellation will be sent on the 15th day. Please note: ACH transaction are free of charge, Credit Cards, however, carry a 2.15% transaction cost or \$20 whichever is greater.

FINANCING PREMIUM

PBIB/IPIB will provide Premium Financing for all programs.

THIRD PARTY PREMIUM FINANCING REQUIREMENTS:

PBIB/IPIB allows 3rd Party Premium Financing (PFA) subject to PBIB/IPIB and individual carrier program requirements.

A) A copy of the 3rd Party financing agreement **MUST** accompany the BIND documents or policy will not be bound.

B). Premium financing must be directed to the Insurance Carrier or Program MGA.

PREMIUM PAYMENT GUARANTEES

Producer guarantees payment to PBIB/IPIB of all premiums, including fees and taxes, billed to Producer, on or before the invoice date specified, for all policies placed by Producer, notwithstanding the ability of Producer to collect premiums from the insured and without regard to any financing agreement. If Producer does not pay PBIB/IPIB within the time specified, PBIB/IPIB is authorized to cancel any certificates or policies for which PBIB/IPIB has not been paid, and Producer agrees to pay the earned premium on such canceled documents.

SECTION 6. CANCELLATION

There shall be no flat cancellation of any insurance coverage bound and/or written at the request of the Producer under any circumstances, except as prescribed by state law. All coverage effected by PBIB/IPIB at the request of Producer are submitted with the understanding that they are not subject to flat cancellation, and will be canceled in accordance with the policy issued and the insurance carrier's procedures. In consideration of the commission allowed to Producer on all premiums and additional premiums, the Producer agrees to refund commission on all returned premiums at the same rate at which such commission was originally paid.

SECTION 7. ACCOUNTING

Producer will pay in accordance with terms provided by PBIB/IPIB invoices provided to Producer. The payment must be remitted as per the terms to reach PBIB/IPIB's office accounting center no later than the date indicated on each invoice. When the discrepancy exists in accounting between Producer and PBIB/IPIB, it shall be Producer's responsibility to notify PBIB/IPIB, in writing, within ten (10) days from receipt of invoice, or within fifteen (15) days from the policy effective date, whichever shall occur earlier, of amounts in variance with PBIB/IPIB's records. If no written notice is received by PBIB/IPIB within this period of time, PBIB/IPIB's accounts will stand as correct and agreed to by Producer.

SECTION 8. CLAIMS AND REPORTS OF LOSSES

Producer agrees to report immediately upon receipt, any claim, loss or possible claim or loss it has knowledge of, in writing, to PBIB/IPIB, and to immediately report, in writing, any fact, occurrence, or incident that may result in a loss or claim, under any policy of insurance placed through PBIB/IPIB. Producer does not have authority to adjust, handle, investigate or provide coverage opinions regarding any claim, loss or occurrence.

SECTION 9. ADVERTISING

Producer may not, without the express written consent of PBIB/IPIB, issue, print or circulate any letter, pamphlet, advertisement, publication or statement, oral or written, referring in any way to PBIB/IPIB or representing any relationship of any kind between Producer, PBIB/IPIB or any market represented by PBIB/IPIB. Producer specifically agrees to indemnify PBIB/IPIB for any loss, legal fees, or other expense it may sustain from any unauthorized advertisement, publication or statement by Producer.

SECTION 10. RECEIPT OF ADVERTISING MATERIALS

The Producer agrees to receive advertising materials and announcements by PBIB/IPIB on a periodic basis. This advertising material and announcements may be sent via E-mail, Facsimile Broadcast or US Mail. PBIB/IPIB agrees to discontinue sending periodic advertising material upon PBIB/IPIB receipt of a written request by the Producer to do so.

SECTION 11. INDEMNITY AGREEMENT

PBIB/IPIB shall indemnify and hold the Producer harmless from and against any and all claims, suits, actions, judgments, loss or expense the Producer may incur or become obligated to pay as a result of any act, omission or negligence of PBIB/IPIB in its processing or handling of insurance business placed by the Producer through PBIB/IPIB under this Agreement, except to the extent that the Producer has caused, exacerbated or contributed to such error.

The Producer agrees to indemnify and hold harmless PBIB/IPIB, and its officers, directors, agents and employees, from and against any and all Claims, including reasonable attorney's fees and expenses, actions, judgments, loss or expense PBIB/IPIB may incur or become obligated to pay as a result of any act, error, omission, negligence or breach of this Agreement by Producer, including, but not limited to, any failure of exacerbated or contributed to such error.

Each party shall promptly provide written notice to each other party of any claimed obligation of the other party arising under this indemnification provision, but in no event may such notice be provided by the party seeking indemnification after thirty (30) days after receipt of notice of the possible claim, suit, action, judgment, loss or expense giving rise to the obligation to indemnify.

SECTION 12. ERRORS AND OMISSION INSURANCE

Producer agrees to maintain, at all times this Agreement is in effect, errors and omissions coverage for itself and its agents, solicitors, servants and employees in an amount not less than \$1,000,000. A copy of the policy or confirmation of coverage will be submitted annually to PBIB/IPIB. This agreement will terminate automatically in the event Producer fails to provide the required confirmation of coverage.

SECTION 13. TERMINATION

This Agreement may be terminated at any time by either party upon written notice mailed to the last known address of the other party. Termination of this agreement will not affect the provisions of sections 4, 5, 6, 7, 8, 9, 10, 11, and 13 with regard to any policy of insurance placed through PBIB/IPIB during the term of this agreement or any prior or subsequent agreement between the parties.

SECTION 14. GOVERNING LAW

Agreement shall be subject to and governed by the laws of the State of California. Venue for any suit or against Producer and/or PBIB/IPIB shall be proper only in the Orange County, California.

SECTION 15. SAVING CLAUSE

The invalidity or unenforceability of any provision of Agreement shall not affect the other provisions hereof, and Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Executed on the _____ day of _____, _____

PRODUCER:

By: _____

Print Name: _____

Title: _____

Agency Name: _____

Address: _____

City, State & Zip: _____

Insurance License #: _____ Expiration Date: _____

E & O Insurance Carrier: _____

Policy #: _____ Expiration Date: _____

FEIN: _____

PBIB/IPIB: _____

By: _____

Title: _____