

PRODUCER AGREEMENT

THIS AGREEMENT is made by and between **AMERICAN SOUTHWEST INSURANCE MANAGERS OF FLORIDA, LLC** (hereinafter referred to as "Manager") and _____
(hereinafter referred to as "Producer")

WHEREAS, Manager acts as a Managing General Agent for various insurance companies; and

WHEREAS, Producer holds a valid and existing property and casualty license as an agent issued by the Florida Office of Insurance Regulation; and agrees to comply with all laws affecting its operation and to maintain its qualifications for licensing by appropriate authorities; and

WHEREAS, Producer desires to solicit business from time to time with insurers represented by Manager, which business such insurers in their sole discretion may accept or reject; and

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties agree as follows:

ARTICLE I: APPOINTMENT AND AUTHORITY

- A. Manager hereby appoints and grants authority to Producer to:
 - 1. Solicit, prepare, accept and transmit application only with respect to those lines of business listed on the schedule, attached hereto as "Addendum No. 1".
 - 2. Deliver policies and endorsements to Insured, only with respect to business which has been accepted by Insurers.
 - 3. Collect and remit premiums to Manager.
- B. It is expressly agreed that authority of the Producer shall be as set forth in this agreement, in appropriate program manuals, underwriting manuals, instructions received in writing and shall be as defined and limited therein.

ARTICLE II: BINDING AUTHORITY

- A. Authority of Producer to bind insurance coverages shall be as defined and set forth in this agreement and in specific program manuals and/or underwriting guidelines, receipt of which is hereby acknowledged, or as otherwise specifically set out in writing.
- B. Producer shall have no authority to countersign policies, endorsements, insurance certificates or any other evidence of insurance on behalf of Manager or insurance companies Manager may represent, without prior specific authorization in writing.
- C. Producer shall at all times comply with rules and regulations promulgated by the Florida Office of Insurance Regulation.

ARTICLE III: PREMIUMS AND COMMISSIONS

- A. Producer, upon receipt of any payments from an Insured or proposed Insured, shall immediately remit such premiums to Manager. Producer shall be allowed a commission on such premiums as set forth in Addendum No. 1, attached hereto. The commission may be changed from time to time in a manner as provided elsewhere in this Agreement.

- B. Premiums shall be remitted as follows:
1. New Business:
 1. Producer shall remit without deduction the gross premiums plus policy fees to Manager, immediately upon receipt.
 2. Renewal Business:
 1. Premiums, policy fees and/or billing fees billed by Manager but received by Producer, shall be immediately forwarded to Manager, without deduction.
 3. Premiums generated by policy changes will be remitted in the same manner as renewal premiums.
- C. Commissions:
1. Producer commissions will be paid at least monthly for all transactions completed in the previous calendar month in accordance with the commission schedule in Addendum No. 1.
 2. No commission will be paid on policy or billing fees.
 3. Producer agrees that undistributed commissions in the hands of Manager at any time may be off set against any monies due Manager.
- D. All premiums received by Producer are the property of the Insured (or applicant) and the Insurance Company and shall be held by Producer as trustee until delivered to Manager. The keeping of an account on Manager's books as a credit and debit account, and the payment of commissions by Manager shall not be held to modify, affect or waive the trust relationship as to premiums collected by Producer, nor Manager's interest in unpaid premiums which have not been collected by Producer.
- E. Producer commissions are paid by the Manager. The issuing Company is not a party of this agreement and is not responsible to the Producer for any commission or other amounts arising from such Producer's activities pursuant to this contract.

ARTICLE IV: RESPONSIBILITY IN EVENT OF CLAIMS

- A. Producer shall have absolutely no authority for the investigation, adjustment or litigation of claims arising from policies placed by Producer. Producer has no authority to and shall not admit any liability on the part of the Insurance Company in which the business is placed or on behalf of Manager.
- B. Producer shall immediately report and transmit to Manager any claim report, notice of accident, proof of loss or other information, including documents related to lawsuits arising from a claim, known to Producer and related to any claim against the Insurance Company on any insurance policy issued involving Manager.

ARTICLE V: REVISIONS IN THIS AGREEMENT

- A. Changes in this agreement shall be made as follows:
1. Revision by Manager: This Agreement, including the Addendum No. 1, may be revised by Manager, upon 30 days written notice to Producer, setting forth the revisions and their effective date.
 2. Revision by mutual consent: This Agreement may be revised at any time by mutual consent, in writing, of Producer and Manager.

ARTICLE VI: TERMINATION, EXPIRATIONS

- A. Termination on notice: This Agreement may be terminated by either party by giving to the other party written notice not less than 30 days prior to such termination. Manager or the insurance companies they represent waive no rights with respect to cancellation or termination provisions contained in individual policies issued to policyholders through Producer and no benefit shall inure to policyholders through Producer by reason of the terms of this Agreement.
- B. Termination for cause: This Agreement shall terminate:

1. Immediately upon written notice if Producer commits any act of bankruptcy, becomes insolvent, or makes any assignment of any of its assets for benefit of creditors.
 2. Immediately upon written notice from Manager if Producer shall fail, neglect, or refuse to account for or pay promptly to Manager or any insurance companies when due all premiums or return premiums due on insurance under this Agreement.
 3. Immediately in the event Producer's license to do business is suspended or revoked by any insurance department.
 4. Immediately if Producer shall act in any manner contrary to authority granted under this Agreement, or shall fail, neglect, or refuse to perform any of Producer's obligations under this Agreement after 15 days written notice has been given Producer for Agent's failure to perform. However, such 15 day notice shall not be necessary if termination occurs under Paragraph VI A, or B (1), (2), or (3).
- C. Ownership of Expirations: Immediately upon termination of this Agreement under Articles VI B (1), (2) and (3), all right, title and interest of Producer to or in any business placed under this Agreement, including, but not limited to the rights of renewal, expirations and to all records thereof, shall vest in Manager or the insurance companies they represent and Producer shall have no right, title, or interest thereafter. However, the rights of renewal, expirations and to all records thereof shall vest in Producer if this agreement is terminated due to actions set forth by Article VI B (4).
- D. Producer further hereby expressly grants to Manager a security interest in such rights of renewal and expirations to secure payment of any and all amounts due or which may become due hereinafter. Upon the occurrence of any event which gives rise to the necessity to enforce said security interest, Manager may take possession of Producer's records. Producer agrees upon request to produce such records together at Producer's place of business and to allow access to such place of business and to removal of records. Upon complete satisfaction of amounts due Manager, the books, records, and control of expirations shall be returned to producer. In event such obligations are not satisfied within a reasonable time period Manager may service such expiration directly or dispose of them in any commercially reasonable manner.
- E. Otherwise, Producer's records, use and control of expirations shall remain the property of Producer and left in Producer's undisputed possession.

ARTICLE VII: OTHER PROVISIONS

- A. Successor Clause: Producer's rights and interests under this Agreement shall not be assigned without prior written consent of Manager. Any change in ownership or control of Producer's business shall, at the option of Manager, terminate this Agreement as of the date of change.
- B. Indemnification: Producer shall indemnify and hold harmless Manager and the insurance companies it represents against any loss, damage, or costs, including, but not limited to reasonable attorney's fees and litigation expense, which Manager may sustain as a result of any act of Producer in violation, in excess, or in contravention of the authority of Producer set forth in this Agreement or in written instructions, rules and regulations which may be promulgated by Manager or the insurance companies they represent from time to time.
- C. Producer as independent contractor: Producer is an independent contractor, and not an agent for or employee of Manager. Manager shall not be responsible for any of Producer's expenses.
- D. Advertising: Producer shall not use the names of Manager or any of the insurance companies they represent in any advertising or publicity without prior written consent.
- E. Forms and Supplies: All supplies, including forms and policies furnished by Manager, shall always remain the property of Manager and shall be returned to Manager or its representative upon demand.

- F. Producer agrees that all records shall be available, upon reasonable notice, for inspection by Manager, or Representatives of Manager, and that copies of records requested by Manager will be furnished without delay.
- G. Entire Agreement: This Agreement supersedes any and all prior Agreements between the parties.
- H. Notice: Whenever written notice is issued by either party, mailing of such notice, postage prepaid, to the last known address of the other party shall constitute notice.
- I. Waiver: Failure of Manager promptly to declare a default for breach on any of the terms and conditions of this Agreement or to exercise any remedy available hereunder shall not be construed as a waiver of any of such terms and conditions, nor estop Manager from thereafter demanding full and complete compliance nor prevent Manager from exercising such remedy in the future.
- J. Applicable Law: This Agreement has been executed under the laws of Florida and shall be performable in Miami-Dade County, Florida.

IN WITNESS WHEREOF, this Agreement has been executed in the City of Miami, Miami-Dade County, Florida, by the parties hereto this _____ day of _____, 20____, with the intent that it becomes effective as of the _____ day of _____ 20____.

For MANAGER:

BY: _____
TITLE

For PRODUCER:

BY: _____
TITLE

ADDRESS: _____

ADDENDUM NO 1
TO
PRODUCER AGREEMENT

DATED: _____

For coverage provided in Various Insurance Companies as set out below:

Coverage	Commission
Windhaven Ins. Co. Private Passenger Auto Liability & <u>Physical Damage – Semi-Annual</u>	<u>15.0%</u>
_____	_____
_____	_____
_____	_____
_____	_____

Type of Account: Cash with application, per program guidelines

AGENCY

**AMERICAN SOUTHWEST INSURANCE
MANAGERS OF FLORIDA, LLC**

By: _____

DATE: _____

By: _____

DATE: _____