



**PRODUCER AGREEMENT**  
**(RETAIL)**

This PRODUCER AGREEMENT (this "Agreement") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Amalgamated Insurance Underwriters, LLC an Indiana limited liability company (the "Company") and \_\_\_\_\_, a \_\_\_\_\_ ("Producer").

WHEREAS, the Company is a licensed excess and surplus lines insurance agent/broker, and is in the business of placing contracts of insurance with various insurers; and

WHEREAS, Producer is a licensed property and casualty insurance agent/broker operating on a retail basis and may from time to time request the Company to obtain property and casualty insurance coverage for clients of Producer.

NOW, THEREFORE, the Company and Producer agree as follows:

**1. Scope of Agreement.** This Agreement shall govern the relationship between the Company and Producer with respect to all policies of insurance insuring clients of Producer heretofore or hereafter obtained by the Company at the request of Producer. This Agreement is non-exclusive. Nothing contained herein shall be construed to require Producer to obtain insurance through the Company or to require the Company to accept orders for insurance from Producer.

**2. Limitations on Producer's Authority.** Producer has no authority to accept or bind risks on behalf of the Company or any insurer represented by the Company without the Company's prior written consent. Producer shall have no authority to (a) make, alter or discharge any contract, or bind the Company to any promise or agreement; (b) incur any indebtedness, obligation or liability on behalf of the Company; (c) waive or modify any terms, conditions or limitations of any policy; (d) adjust or settle any claim; or (e) make any representation, offer any advice or consultation, or render opinions or information on behalf of the Company. Unless otherwise agreed upon, Producer shall operate hereunder on a retail basis only. Producer shall perform its obligations under this Agreement in full compliance with any and all laws, rules and regulations of all insurance regulatory authorities and any other laws applicable to Producer. Producer shall not submit co-brokered risks to the Company; provided, however, that nothing herein shall prohibit employees of Producer from coordinating efforts internally to identify and submit risks to the Company. Producer is prohibited from adding any fees or surcharges to a policy without the express prior written consent of the Company. Producer agrees to comply with all rules, regulations, guidelines and directives of the Company and its insurers, and it is understood and agreed that the Company and its insurers may, in their discretion and upon notice to Producer, modify, amend and/or change such rules, regulations, guidelines and directives from time to time. Producer will make no attempt to place a risk directly with an insurer that the Company has made available or presented to Producer as a market for any risk hereunder. Producer will not use the name or logo of the Company or any insurers serving as markets for the Company in any advertising or marketing materials without the Company's prior approval. Producer shall be responsible for all its expenses unless otherwise agreed in writing by the Company.

**3. Payment of Premium.** Producer shall be obligated to collect and remit to the Company all premiums, taxes and fees (if any) with respect to policies of insurance offered through the Company by Producer. Unless otherwise agreed in writing, the entire premium, tax and fee on each policy shall be due and payable subject to the payment terms indicated on the Company's invoice, provided, that so long as Producer is not in

default in any of its obligations hereunder, unless otherwise instructed by the Company, Producer may withhold therefrom any commission payable to Producer pursuant to Section 5 and remit premiums, taxes and fees to the Company net of Producer's commission. If any insured shall default in the payment of any premium, tax or fee as and when due, the Company shall have the right, and is hereby authorized by Producer, to take all necessary action, including legal action, to collect the premium, tax and fee directly from the insured, but the taking of any such action by the Company shall not relieve Producer of its obligation to pay such premium, tax and fee to the Company. The Company shall have the right but not the duty to issue or request that the applicable insurer issue advance notice of termination for non-payment of premium. Producer specifically agrees that any extensions of credit by Producer to its insured or to any other client is solely at its own risk, and Producer shall pay to the Company all sums due the Company when due, whether or not it has collected such funds.

**4. Fiduciary responsibilities of Producer.** Producer agrees that all monies collected while acting in the capacity of Producer for the Company hereunder shall be held by the Producer in a fiduciary account in accordance with applicable insurance laws.

**5. Commissions.** The Company shall pay to Producer commissions on premiums actually paid over to the Company with respect to policies of insurance ordered through the Company by Producer, at the rate set forth on Schedule A which shall be deemed to be incorporated into this Agreement. The Company agrees to pay Producer the commission due hereunder either (a) within ten (10) days after the end of the month in which each policy is effective or (b) by allowing Producer to withhold the commission from its remittance of premium to the Company as outlined under Section 3 (such choice being in the Company's sole discretion as indicated on the Company's invoice). The Company shall deduct from each return premium a return commission calculated at the same rate as Producer's original commission thereon. If the insurer shall refund premiums under any policy or contract of insurance hereunder for any cause, the Producer shall immediately remit to the Company the commission originally retained by or paid to the Producer on the amount of premiums so refunded. If the commissions on return premiums, audits and cancellations exceed the commissions on new and renewal premiums during any month, Producer agrees to remit the net return commission balance to the Company ten (10) days after the end of the month. Audit premiums and retrospective adjustments shall be due from Producer when invoiced. Producer shall promptly report and pay to the Company any additional or return premiums which may become due as a result of any adjustments.

**6. Terms and Conditions of Coverage.** Producer acknowledges and agrees that the actual terms and conditions of coverage offered by or made available through the Company on behalf of an insurer may differ materially from the terms and conditions of coverage requested by Producer. Producer shall be solely responsible for verification of such actual terms and conditions of coverage with the insured.

**7. Licensing; Errors & Omissions Insurance.** Producer represents and warrants to the Company that Producer is licensed as a property and casualty insurance agent/broker or excess and surplus lines agent/broker in its state or jurisdiction of domicile and in each state or jurisdiction required in connection with the insurance placed through this Agreement, and that Producer shall continue to be so licensed throughout the term of this Agreement. Producer further represents and warrants to the Company that Producer maintains and shall continue to maintain in force during the term of this Agreement and for a period corresponding to any applicable statute of limitations after termination of this Agreement, insurance producers'/agents' errors and omissions insurance with limits of not less than \$1,000,000 each occurrence and a \$1,000,000 annual aggregate. A copy of the certificate of coverage related to such policy shall be provided by Producer to the Company concurrently with the execution of this Agreement, and Producer shall provide the Company with copies of any renewals of such coverage. Any such insurance shall be subject to the reasonable approval by the Company, but any carrier rated "A" by A.M. Best shall in all events be deemed acceptable. Producer shall provide the Company with evidence of current errors and omissions insurance upon request.

**8. Cancellations of Insurance.** Nothing contained herein shall be construed to limit or restrict any rights of cancellation of the Company or any insurer contained in any binder, cover note, policy, contract of insurance, or by law including without limitation the right of the insurer, in its discretion, to cancel or rescind the policy for underwriting or any other reason. Cancellation or rescission of a policy by the insurer terminates the Producer's right to any future commissions related to such policy. Producer shall not be entitled to any flat cancellation, and in the event of cancellation, Producer shall remain liable to the Company for any earned premium, taxes and fees (if any) thereon, whether or not Producer has collected from the insured.

**9. Claims Cooperation; Communications.** Producer shall cooperate fully with the Company and the insurer to facilitate the investigation, adjustment, settlement and payment of any claim. Producer shall have no authority to administer claims other than to notify the Company of their occurrence, which Producer undertakes to do immediately upon knowledge or notification of same. Producer shall report promptly to the Company all consumer complaints, all communications received from any insurance department or other regulatory agencies concerning business placed with the Company.

**10. Suspension and Termination of Agreement.** (a) This Agreement will remain in effect unless suspended or terminated as provided below:

(1) This Agreement may be terminated without cause by either party by providing 30 days' notice in writing.

(2) The Company may immediately terminate this Agreement or suspend the authority of the Producer, as well as the Company's obligations to perform under this Agreement, effective upon written notice in any of the circumstances listed below:

(A) if any public authority cancels, suspends or declines to renew any license, qualification or certificate of authority of the Company or the Producer;

(B) in the event of fraud, insolvency, failure to remit balances in accordance with this Agreement, or willful misconduct, negligence or material breach of contract on the part of the Producer;

(C) if the Producer's license is cancelled, suspended or nonrenewed in any state(s) or jurisdiction(s) in which it is required to be licensed for purposes of this Agreement. Producer agrees to notify the Company within one business day of any such occurrence. During the period of such suspension, Producer shall refer all existing clients of the Company in the affected state(s) or jurisdiction(s) that is seeking coverage through Producer of the type offered by the Company directly to the Company. The Company shall not be required to pay commissions to Producer for insurance underwritten in the affected state(s) or jurisdiction(s) during the suspension period; or

(D) upon any cancellation, non-renewal or other lapse in coverage of Producer's errors and omissions insurance coverage upon the terms required hereunder. Producer agrees to notify the Company within one business day of any such occurrence.

(b) Upon termination of this Agreement, the Producer shall: (1) continue to pay the Company in a timely fashion all sums due the Company pursuant to this Agreement until paid in full; (2) unless otherwise instructed by the Company, continue to service all business produced by or through this Agreement in the same manner and to the same extent required hereunder prior to termination; and (3) unless otherwise permitted by the Company, cease to submit or seek to renew business with the Company or extend the term of any existing business, except as may otherwise be required by law or regulation.

**11. Ownership of Expirations.** Subject to the terms of Section 10, as between the Company and Producer, Producer shall retain the ownership and control of all expirations with respect to insurance obtained through the Company hereunder, except that if the Producer shall at any time be in default in any of its monetary obligations hereunder including without limitation remittance of premiums and return commissions, then the Company shall have the right, so long as such default shall continue, to the exclusive use and control of any or all such expirations and to apply any proceeds thereof to the fulfillment of such monetary obligations of the Producer; provided, that minor accounting discrepancies shall not be deemed to constitute a default for purposes of this section.

**12. Indemnification.** Producer and its affiliates, officers, employees, and agents (the “Producer Parties”) agree to indemnify and hold harmless the Company, its affiliates, officers, employees, and agents (the “Company Parties”) from and against all loss, damages, liability, cost and expenses (including reasonable attorney’s fees and expenses) (collectively, “Losses”) resulting from or arising out of the Producer Parties’ performance of this Agreement, or any negligent act or error or omission of the Producer Parties under or in relation to its obligations under this Agreement or where such Losses are incurred by reason of any claims, actions, suits, or governmental investigations or proceedings brought by any third party against or involving the Company Parties relating to or arising out of any actual or alleged act of the Producer Parties under or in relation to its obligations under this Agreement. The Producer Parties agree to pay or cause to be paid to the Company Parties all sums or amounts of money that the Company Parties shall pay or become liable to pay as charges or expenses of any nature or kind whatsoever, including fees of counsel, by reason of the failure of the Producer Parties to comply with the terms of this Agreement, as soon as the Company Parties shall have become liable therefore, whether or not the Company Parties shall have actually paid such sums or any part thereof. The Producer Parties’ obligations hereunder shall remain in full force and effect and survive the expiration and termination of this Agreement.

Company Parties agree to indemnify and hold harmless the Producer Parties from and against all Losses resulting from or arising out of the Company Parties’ performance of this Agreement, or any negligent act or error or omission of the Company Parties under or in relation to its obligations under this Agreement or where such Losses are incurred by reason of any claims, actions, suits, or governmental investigations or proceedings brought by any third party against or involving the Producer Parties relating to or arising out of any actual or alleged act of the Company Parties under or in relation to its obligations under this Agreement. The Company Parties agree to pay or cause to be paid to the Producer Parties all sums or amounts of money that the Producer Parties shall pay or become liable to pay as charges or expenses of any nature or kind whatsoever, including fees of counsel, by reason of the failure of the Company Parties to comply with the terms of this Agreement, as soon as the Producer Parties shall have become liable therefore, whether or not the Producer Parties shall have actually paid such sums or any part thereof. The Company Parties’ obligations hereunder shall remain in full force and effect and survive the expiration and termination of this Agreement.

**13. Arbitration.** In the event of any dispute arising out of or relating to this Agreement, the parties agree that the dispute will be resolved by final and binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place before a panel of three arbitrators. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in either insurance or law. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be conducted consistent with the Federal Rules of Civil Procedure. The arbitrators shall have no power of authority to award punitive or exemplary damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorney fees and expenses, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Any arbitration shall

**be confidential and, except as required law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other party, except that disclosure is permitted to a party's auditors and legal advisors or as may be legally required.**

**14. No Third Party Beneficiaries.** This Agreement is for the exclusive benefit of the parties hereto, and no third party, including, without limitation, any insured, is intended to be or shall be a beneficiary of any provision hereof.

**15. Independent Contractor.** Producer shall be an independent contractor for any and all purposes. Nothing in this Agreement shall be construed to constitute the parties to the Agreement as partners or joint venturers or create any employer/employee or agency relationship between the parties.

**16. Assignment.** This Agreement may not be assigned by Producer absent the express prior approval of the Company. The Company may assign any and all of its rights and obligations under this Agreement to any of its affiliates or successors in interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

**17. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana, without regard to the conflicts of laws principles thereof.

**18. Notices.** Whenever any party hereto desires or is required to give any notice, demand, or request with respect to this Agreement, each such communication shall be in writing and shall be effective only if it is delivered by personal service or mailed, United States registered or certified mail, return receipt requested, postage prepaid, or sent by prepaid overnight courier or confirmed telecopy or email, addressed as follows:

If to the Company:

Amalgamated Insurance Underwriters, LLC  
Attn: Ben Z. Goldberg  
21 Robert Pitt Drive  
Suite 202  
Monsey, NY 10952  
Email: bzg@aiu-usa.com

If to Producer:

\_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Fax No. \_\_\_\_\_  
Email: \_\_\_\_\_

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

**20. Record Retention.** Producer shall comply with all record retention laws applicable to the policies produced hereunder in relation to records which are in Producer's possession or control.

**21. Further Assurances.** The parties shall execute and deliver such other documents or instruments and take such other action as may be reasonably required to more effectively implement the provisions and intent of this Agreement.

**22. Notice of Certain Events.** Producer shall notify the Company not later than 30 days following any of the following occurrences: (1) a sale or transfer, or the issuance to a new equity holder, of 10% or more of the voting equity interests of Producer; or (2) a sale or transfer of substantially all of the assets of Producer to or the merger or consolidation of Producer with any person or entity.

**23. Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof and no party hereto has made any representation, warranty or covenant in connection with the matters set forth herein except as expressly stated herein. Neither this Agreement nor any amendments nor terms thereto may be changed, waived, or discharged except by written agreement between the Producer and the Company.

**24. Construction of Agreement.** The titles and headings herein are for reference purposes only and shall not in any manner limit the construction of this Agreement which shall be considered as a whole. The words "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

**25. Counterparts; Electronic Signature.** This Agreement may be executed in one or more counterparts, including by electronic transmission.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first set forth above.

**THE COMPANY:**

Amalgamated Insurance Underwriters, LLC  
An Indiana Limited Liability Company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PRODUCER:**

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Federal EIN: \_\_\_\_\_

Sole Proprietor     Partnership     Corporation     Other (describe): \_\_\_\_\_

Schedule A  
Commissions

New Business:	10%
Renewals:	10%