

AGREEMENT WITH PRODUCER

This Agreement is by and between _____
Producer's Name – exactly as shown on license

Producer's Address

Hereinafter referred to as "Producer" and Unifax Insurance Systems, Inc., 26050 Mureau Road, Calabasas, CA 91302-3171, its successors and/or assigns, hereinafter referred to as "General Agent." Producer desires to secure insurance coverage on behalf of his/her client ("insured") through the facilities provided by General Agent and General Agent agrees to make facilities available to Producer for placement of such insurance on the following terms and conditions.

1. Any insurer issuing a policy of insurance through the parties to this Agreement is deemed to be a third party beneficiary of this Agreement and may enforce any of its terms and provisions.
2. Producer represents and warrants that in receiving commissions or fees from General Agent, Producer is not in violation of any law or regulation of the state where the insurance policies issued through General Agent are in force and effect. Producer recognizes that any violation of any law or regulation of the state where the insurance policies issued through General Agent are in force and effect shall be sufficient cause for rescission of this Agreement.
3. Producer agrees and acknowledges that Producer has no authority to bind any coverage on new or existing or renewal business, and has no authority to conduct any investigation or to make any determination concerning the validity of any claim or of any coverage, or to make any change in the content, terms or conditions of any application for or any policy of insurance ordered through General Agent. Any violation of this paragraph shall be considered a breach of the Producer's fiduciary obligations to General Agent and its insurance companies.
4. Producer has no authority to investigate, settle or otherwise adjust claims, and must immediately report to General Agent in writing in the event that Producer is notified of an actual or potential claim.
5. Producer agrees that NO FLAT cancellation shall be allowed. Producer will pay to General Agent, any and all open accounts, accounts stated or other indebtedness arising out of or relating to policies of insurance under this Agreement. Producer further guarantees to pay earned premiums (including minimum premiums and audit premiums) and all other fees and charges for the time coverage is in force and effect on any and all insurance policies written through the facilities of the General Agent. Producer shall be responsible for arranging for the return to the insured of unearned premiums and unearned commissions that belong to the insured. Producer shall remit all payments to General Agent within ten (10) days of Producer's receipt of such payment. All payments received from insured shall be held in trust by Producer until payments are transmitted to General Agent. No payment accepted or received by Producer shall be deemed paid to the General Agent until such payment shall be received in hand by the General Agent. Any violation of the foregoing shall be considered a breach of the Producer's fiduciary responsibilities and obligations to General Agent and its insurance companies. Producer recognizes that any violation of the terms of this paragraph shall be sufficient cause for rescission or immediate cancellation of this Agreement, at the option of General Agent.
6. Producer agrees to indemnify and hold harmless the General Agent, any of its employees and agents, along with any of its underwriting companies, claim adjusting companies or insurance companies

from and against any and all claims arising out of or relating to ANY ALLEGED ACT OR ALLEGED FAILURE TO ACT ON THE PART OF THE PRODUCER which results in any claim, demand, action or cause of action against the General Agent or its underwriting companies, claim adjusting companies or insurance companies whether or not said claim, demand, action or cause of action be meritorious. Producer agrees to promptly notify the General Agent of any claim, demand, action or cause of action in which the General Agent or any of its underwriting companies, claim adjusting companies or insurance companies are involved and hold harmless General Agent or any of its underwriting companies, claim adjusting companies or insurance companies from any and all loss, expense, demand, action or cause of action, settlement or judgment including expenses of investigators, expert witnesses, court costs, attorney fees or the like arising from or relating to ANY ALLEGED ACT OR ALLEGED FAILURE TO ACT ON THE PART OF THE PRODUCER whether or not said claim, demand, action or cause of action be meritorious.

7. Producer agrees that in the event Producer or any of Producer's agents, sub-agents of affiliate companies or representatives are named in litigation arising out of or related to the performance on Producer's part of the terms and provisions of this Agreement, neither the General Agent nor any of its underwriting companies, adjusting companies or insurance companies shall be obligated to defend, indemnify nor hold Producer harmless from any and all such claims. Nothing herein shall preclude General Agent at its option from undertaking Producer's defense though any such undertaking on the part of the General Agent shall be deemed an accommodation and not a contractual obligation.
8. Producer in placing business under this Agreement recognizes that Producer is a representative of the insured and is not acting as an agent or representative of the General Agent or its insurance companies or claim adjusting companies. Producer also represents and warrants that Producer has full authority granted by the insured to submit insurance requests through the underwriting facilities of the General Agent and Producer further warrants his/her authority to sign applications for insurance, for and on behalf of the insureds.
9. Producer agrees and understands that commissions are negotiated and are paid for and accounted for on an individual policy basis. It is also agreed that commissions and fees are separate items and will be so treated. Producer also agrees that no commissions are payable on administrative fees, service fees, policy fees or inspection fees and warrants that Producer will advise the potential insured of all fees and all premiums as separate items. Producer will inform policyholder that all fees are fully earned and will not be prorated should there be a cancellation of the policy.
10. General Agent or the Insurance Company shall have no responsibility for any expenses incurred by Producer no matter howsoever arising.
11. In the event of any dispute arising between the parties or between Producer, on the one hand, and General Agent's employees, agents, underwriting companies, claim adjusting companies or insurance companies, on the other hand, relating to this Agreement, such dispute shall be governed by, and construed and enforced in accordance with, the laws of the State of California applicable to agreements made and to be fully performed therein (without regard to California's conflicts of laws rules). Any claims, actions or proceedings brought by either party arising out of this Agreement will be brought only in a court situated in Los Angeles County, California. The parties hereby submit to the personal jurisdiction of said courts and agree that said courts have subject matter jurisdiction of any dispute between them; the parties consent to the dismissal of any action arising out of this Agreement that is brought in any other forum. It is also agreed that the prevailing party in any such litigation shall be entitled to recover all reasonable legal fees and other expenses arising out of such action.

12. Producer agrees to keep in full force and effect an Errors and Omissions insurance policy and a General Liability insurance policy with limits no less than \$500,000.00 during the full term of this Agreement and if requested will send a copy of the policies to the General Agent.
13. The provisions of this Agreement are severable, and if any one or more provisions may be determined to be judicially unenforceable, in whole or part, the remaining provisions shall nonetheless be binding and enforceable.
14. This Agreement supersedes and replaces any and all previous agreements and shall be effective as of the date hereafter written and shall remain in force and effect to and until cancellation which may be effectuated by either party giving to the other written notice of cancellation which shall be mailed to the party at the address first hereinabove written or such other address as may from time to time in writing be specified by a party to this Agreement for the giving of notice. Cancellation of this Agreement will become effective after the date of mailing and any such cancellation shall comply with the laws of the state where the Producer's license is issued.
15. Producer agrees to submit to an examination under oath if requested to do so by any insurer issuing a policy through the parties to this Agreement.
16. The ownership and control of expirations of policies written pursuant to this Agreement belong to the Producer. If the Producer has not properly accounted for and paid all premiums due on such policies, the ownership and control of the Producer's expirations shall be vested in the insurer who issued such policies, if the insurer chooses to exercise such ownership and control.
17. General Agent reserves the right to discontinue the offering of new business quotations, at any time, without notice to Producer.

Producer: _____
 (Print name here exactly as it appears on front of Agreement)

By: _____ Date: _____
 (Producer sign here)

 (If Producer is signing on behalf of a corporation, LLC or partnership, print name and title)

Unifax Insurance Systems, Inc.

By: _____ Date: _____

_____, its _____
 (Print Name) (Print title)