



UNION GENERAL

INSURANCE SERVICES, INC.

PRODUCERS AGREEMENT

1. Effective Date _____
2. This AGREEMENT is made as of the effective date above between Union General Insurance Services, Inc., hereinafter designated as "Union General" and:
 Agent Broker _____
Address _____
City _____ State _____ Zip _____
Phone _____ Fax _____ Tax I.D. _____

Hereinafter called the "Producer"

Producer desires to secure various coverages through the facilities of Union General; and Union General acting as general agents agrees to make facilities available to Producer for placement of such insurance on the following terms and conditions;

NOW THEREFORE, the parties hereto agree as follows:

LICENSING AND LIMITED AUTHORITY

1. Union General agrees to use its best efforts to arrange agency appointments, if required, for Producer for the express purpose of complying with agency licensing laws of the state wherein Producer resides. However, it is mandatory that Producer request in writing agency appointment for specific companies.
2. This Agreement confers no authority, express or implied, upon Producer to accept or to bind or obligate Union General or any insure(s) represented by Union General in any respect, whether as to risks submitted for consideration or as respects changes in the terms and conditions of any policy or binder issued by Union General unless Producer is specifically authorized to bind coverage by instruction contained in current published rate card or with specific written instruction from Union General.
3. In the event Producer issues an unauthorized policy or binder, Producer agrees to reimburse Union General or the applicable insurance company for any expenses incurred because of the unauthorized issuance including claims for indemnification, claims expense, and attorneys' fees incurred by Union General or the applicable insurance company in denying liability or collecting reimbursement.

COMMISSIONS

1. Union General will allow Producer commission on premium as approved by Union General. Union General reserves the right to determine the rate of commission on any risk.
2. Producer's commission shall be earned in the same proportion as Insurer earns its premium. In the event insurer returns premium for any reason, Producer shall refund unearned commission to Union General.
3. Union General shall not be responsible for Producer's expenses of any kind or description.

PAYMENT OF PREMIUM

1. Producer agrees to pay Union General any and all required premiums.
2. Producer agrees to pay Union General required deposit premium upon application and the balance of premium shall be paid within 30 days of the billing date of insurance coverage, except for specifically negotiated risks that may require special deposit or credit terms and short term fully earned premiums paid in advance. If any premium is not paid when it becomes due, and collection efforts are instituted, Producer agrees to pay all collection costs and any attorneys' fees that may be incurred.
3. Producer specifically agrees that any extension of credit by him to client or to any other person is solely at Producer's own risk, and he shall pay Union General all sums due Union General when due, whether or not Producer has collected such premium. Producer is responsible for all additional premiums due as a result of audits. Furthermore, in agreeing to pay Union General all premiums required, Producer recognizes that it is an original undertaking on his own part, and Producer is not a guarantor or surety of another's obligation.

CANCELLATION

1. No policy, binder or cover note will be cancelled flat.
2. Notwithstanding the return of an original policy for cancellation, cancellation will not be effective until notice has been received by insured banks, mortgagees, loss payees, certificate holders, public utility commissions or any other interested parties.
3. Producer further agrees to refund unearned premiums on a gross basis to his insureds as soon as practicable after refunds are due the insureds.

NOTICE OF EXPIRATION

- 1 Union General shall be under no obligation to give Producer advance notice of expiration of any policies of insurance which Producer procured through the facilities of Union General, although Union General may give Producer advance notice of the expiration of said policies.
- 2. The failure of Union General to provide such notice shall not render Union General liable to Producer.

PREMIUMS HELD IN TRUST

- 1. All Premiums received by Producer shall be held in Producer's trust account for Union General as Trustee, until delivered to Union General.
- 2. Producer shall remit all premiums due within 30 days of the Union General billing date. This Agreement shall be terminated if Producer fails to remit premiums due within 30 days of the billing date, or if Producer's premium check is returned for insufficient funds.

OWNERSHIP OF BUSINESS

- 1 Both parties to this Agreement expressly recognize the independent ownership by Producer of the insurance business placed pursuant to this Agreement. In the event this Agreement is terminated, Producer shall retain ownership of the expiration list on the business placed pursuant to this Agreement; provided that, Producer is not delinquent for any premiums owed to Union General.

LIMITATIONS OF PRODUCER

- 1 Producer has no authority to processor adjust claims and must notify Union General or an approved adjustor of any occurrence as soon as possible.
- 2. No act or statement of Producer shall in any way be binding on Union General or any insurer(s) represented by Union General unless Producer shall have first received prior written approval from Union General to so act or state.
- 3. Notice to Producer of change in risk does not constitute notice to Union General or the insurer(s).
- 4. Producer is not the employee or authorized representative of Union General or of any insurer(s) represented by Union General.

ERRORS AND OMISSIONS INSURANCE

- 1. Producer agrees to purchase and maintain in force as long as this Agreement is in effect an Insurance Agent's/Broker's Errors and Omissions Policy and to provide Union General with a certified copy, if requested.
- 2. The cost of said policy shall be at the expense of Producer.

PRODUCER'S WARRANTY

- 1. Producer warrants that he is properly licensed for the classes of business and the coverages of insurance to be procured through the facilities of Union General.
- 2. In the event Producer is a corporation, it is further understood, agreed and guaranteed by the undersigned individual and principal stockholders of said corporation that all conditions of this Agreement shall be binding upon them severally and jointly in the same manner as upon the corporation named as Producer,

TERMINATION OF AGREEMENT

- 1. This Agreement may be terminated at any time by either party hereto, by giving written notice as provided herein.
- 2. All notices to the parties pursuant to this Agreement shall be in writing and shall be deemed effective when personally delivered or mailed to the party at his last known address.
- 3. If legal action is required by Union General to enforce this agreement, Union General shall be reimbursed from the Producer for all attorney's fees, costs and necessary disbursements, in addition to any other relief of which Union General is entitled.

In witness wherem, this agreement has been executed by the parties signing below:

Producer Firm Name_____

Producer Signature_____

If Corporation, Officer's Signature_____

Print Name_____Date_____

Union General Insurance Services, Inc.

By_____Title_____

Date_____