



## PRODUCER AGREEMENT

This agreement made and entered into by and between **Casualty & Surety, Inc.** (Hereinafter called "BROKER"), and

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(an insurance agency hereinafter called "PRODUCER").

WHEREAS, PRODUCER wishes to procure from time to time for PRODUCER's clients various insurance coverage from or through BROKER and BROKER wishes to provide such coverage from time to time where the terms and price thereof are mutually acceptable;

NOW, THEREFORE, it is hereby agreed between BROKER and PRODUCER as follows:

1. Upon proper submission of underwriting materials and data, as specified by BROKER, and written quotation of premiums with respect thereto, PRODUCER may quote the aforesaid premiums for the coverage outlined in the written quotation, but may not bind aforesaid coverage without specific written authorization from BROKER to do so and, in the event of such authorization, PRODUCER shall bind coverage only in specific conformity with the authorization so obtained. BROKER shall have unfettered discretion to decline to quote any underwriting submission for any reason whatsoever.

2. All premiums, less allowable commissions, received by PRODUCER for business bound in accordance with the preceding provision shall be held by PRODUCER in trust for the joint benefit of BROKER and the insurer(s) underwriting the subject policy or policies until delivered to BROKER. Such fiduciary funds remain the property of BROKER and applicable insurer (s) at all times, unless and until BROKER shall in writing authorize PRODUCER to otherwise dispose of such premium, and shall not be used by PRODUCER for any purpose whatsoever or commingled or intermingled with PRODUCER's personal funds except as PRODUCER's applicable insurance law shall so require.

3. PRODUCER shall be liable to BROKER for each premium (less allowable commissions) on each policy or binder of insurance written by or through BROKER at the request of PRODUCER at the inception date thereof whether or not PRODUCER has collected such premium subject to the flat *pro rata* or short rate premium provisions of each such policy. PRODUCER extends credit to his clients solely at PRODUCER's risk of non-collection thereof. All premium balances due to the BROKER shall be paid at the time that the account current is rendered. The amount paid will be the gross amount due on the business after deduction of commission. PRODUCER shall be relieved of liability for additional premiums due as a result of audit, including non-cancelable surety bond anniversary bonds, when producer notifies BROKER within 30 days of receipt of the audit of its inability to collect following a good faith effort to collect. PRODUCER forfeits all otherwise allowable commissions with respect to premium collected by BROKER directly from PRODUCERS client because of PRODUCERS failure to collect same in a timely manner.

4. BROKER shall allow PRODUCER commissions at such rates as are mutually agreed upon from time to time, but in the event of policy cancellation or the occurrence of some other act that causes return premium to become due under the terms of the policy, PRODUCER shall refund commission to BROKER at the same rate at which commissions were originally allowed. BROKER will pay no commissions on any policy fee added to any policy, and, in the event of policy cancellation such policy fee shall be fully earned by BROKER and non refundable.

5. PRODUCER warrants that PRODUCER is properly licensed to transact business as an insurance agent or broker in accordance with the laws of insurance in the State in which the PRODUCER transacts business. PRODUCER warrants that PRODUCER shall maintain during the pendency of this agreement Errors & Omissions insurance with a minimum limit of one million dollars ( \$1,000,000 ), over a self-insured retention of not more than \$50,000 U.S. dollars ( \$50,000 ), per claim. The BROKER shall indemnify the PRODUCER for all liability arising as a result of BROKER'S acts or omissions except to the extent that PRODUCER has caused such error. The PRODUCER shall indemnify the BROKER for liability arising as a result of PRODUCER'S acts or omissions except to the extent that BROKER caused such error.

6. This agreement is solely between PRODUCER and BROKER and confers no rights on any other party as a third party beneficiary or otherwise. In particular, BROKER assumes no responsibility toward any of PRODUCER's clients or policyholders with respect to the adequacy, amount or form of any coverage obtained or placed through BROKER. BROKER may quote coverage on terms different from those requested by PRODUCER and it is PRODUCER's responsibility to compare BROKER's quotation against PRODUCER's or PRODUCER's client's specifications and to advise BROKER whether or not to bind coverage notwithstanding such differences or conditions, the failure to do so amounting to acceptance, upon PRODUCER's request to bind, of all premiums, fees and terms quoted by BROKER.

7. The failure of BROKER to enforce any of the terms, covenants and provisions of this Agreement shall not be deemed a waiver thereof.

8. This Agreement and all rights, remedies and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of Alabama. PRODUCER hereby consents to the jurisdiction of Alabama courts with respect to any legal action arising out of this Agreement by BROKER.

9. All of the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns, whether so expressed or not.

10. Any provision hereof which is prohibited or unenforceable 'in any Jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions and without affecting the validity or enforceability of such provision in any other jurisdiction.

II. This Agreement supersedes any prior agreements and understandings, whether oral or written, and may be terminated by either party upon receipt of written notice of termination. However, such termination shall not affect the rights of the parties as respects coverage's in effect on the date of termination. In the event of the termination of this agreement, the PRODUCER having promptly accounted for and paid over premiums for which it may be liable, the PRODUCER's use and control of expirations shall remain the property of the PRODUCER and be left in its undisputed possession.

12. This Agreement shall take effect on the \_\_\_\_\_ day of \_\_\_\_\_, 2007

FOR THE BROKER:

FOR THE PRODUCER:

By:

By:

Name:

Name:

Title:

Title:

Broker's Name & Address:

Producer's Agency Name & Address:

James H. Godfrey, Jr.  
Casualty & Surety, Inc.  
Meadow Brook 100  
100 Corporate Parkway Suite 350  
Birmingham, AL 35242



100 Corporate Parkway Suite 350  
Birmingham, AL 35242  
Phone: (205) 995-0713 Fax: (205) 995-0862

**CASUALTY & SURETY, INC CONFIDENTIAL PRODUCER PROFILE**

**General Information**

Legal Name of Organization: \_\_\_\_\_

DBA (If Different): \_\_\_\_\_

Current Mailing Address: Current Street Address:

\_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_ Night Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_ Watts Line: \_\_\_\_\_

Web Site: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Federal I.D. No.: \_\_\_\_\_ Year Established: \_\_\_\_\_

Business Entity: (Check One) Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Individual \_\_\_\_\_

Premium Volume: \_\_\_\_\_ Commercial % \_\_\_\_\_ Personal% \_\_\_\_\_

If your agency accounting is conducted at an address other than the above mailing address please provide that address below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Errors & Omissions Insurance**

Carrier: \_\_\_\_\_

Limit: Occurrence \_\_\_\_\_ Aggregate \_\_\_\_\_

Deductible: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

**Attach a copy of your current E&O policy dec page.**



100 Corporate Parkway Suite 350  
Birmingham, AL 35242  
Phone: (205) 995-0713 Fax: (205) 995-0862

**CASUALTY & SURETY, INC**  
**CONFIDENTIAL PRODUCER PROFILE (Continued)**

**License Information**

States Licensed	License Number	States Licensed	License Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Does your agency hold a Surplus Lines License?  Yes  No

If yes, please enter License Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Name of individual who holds surplus lines license: \_\_\_\_\_

*Attach a copy of the above license.*

**Agency Personnel**

Title, Name, Direct Number, E-mail

CEO / President \_\_\_\_\_

Marketing Director \_\_\_\_\_

Umbrella Contact \_\_\_\_\_

GL Contact \_\_\_\_\_

Property Contact \_\_\_\_\_

E&O/D&O Contact \_\_\_\_\_

**Market Data:**

List major companies and wholesale brokers in order of premium volume.

Companies Wholesale Brokers

\_\_\_\_\_  
\_\_\_\_\_

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

Date: \_\_\_\_\_