

PRODUCER AGREEMENT

This Agreement is made as of _____ (“EFFECTIVE DATE”) by and between _____ (“PRODUCER”), a _____ (entity type and jurisdiction), and MINICO INSURANCE AGENCY, LLC (“MINICO”), an Arizona limited liability corporation with its principal place of business at 10851 N. Black Canyon Highway, Suite 200, Phoenix, AZ 85029.

Whereas, it is the desire and intention of the parties that they enter into this PRODUCER AGREEMENT for their mutual benefit terminating any previous oral or written agreement or understanding between them upon the terms and conditions hereinafter set forth.

Now, therefore, in consideration of the mutual promises, covenants and for good and valuable consideration, PRODUCER and MINICO agree as follows:

INSURANCE LICENSING

1. MINICO and PRODUCER each represent and warrant to the other party that it is an insurance broker or agent in good standing and that it, and its firm if required, has been and is duly licensed under the appropriate state laws and in all jurisdictions where business is conducted pursuant to this PRODUCER AGREEMENT, including Excess and Surplus lines licenses where required under individual state laws.
2. MINICO and PRODUCER will each remain licensed to act under and pursuant to the insurance laws and regulations of all states in which it conducts business including all states in which the parties intend this PRODUCER AGREEMENT to apply.
3. PRODUCER agrees that true copies of all applicable licenses shall be furnished to MINICO immediately upon request, and PRODUCER agrees that it is solely responsible to keep all applicable licenses in full force and effect at all times. Furthermore, PRODUCER agrees to comply with all applicable laws and insurance department regulations governing the conduct of business under this PRODUCER AGREEMENT.
4. PRODUCER will promptly notify MINICO of any suspension, cancellation or disciplinary action by any regulatory or governing authority with respect to PRODUCER’s insurance activities or licenses. PRODUCER agrees to allow MINICO to review licenses on an “as needed” basis for the sole purposes of conducting business with MINICO.
5. In the event PRODUCER is notified that its license or authorization to engage in the insurance business has been or is threatened to be revoked or suspended by any state insurance department or other public authority, PRODUCER shall thereupon immediately notify MINICO in writing. PRODUCER shall continue to provide all other services aforesaid on business produced prior thereto. PRODUCER shall then take all action required to fully restore its license or authorization.
6. This PRODUCER AGREEMENT may be terminated in accordance with the terms and provisions hereinafter stated.

COMPENSATION

7. For each policy bound or written, the rate and any unique terms of the commission payable by MINICO to PRODUCER will be communicated at time of quote or issue on an individual risk basis.
8. As full and complete compensation, PRODUCER may retain commissions due from premiums collected; however, no commissions shall be retained or paid on any taxes or fees.
9. All expenses incurred by PRODUCER shall be the sole responsibility of PRODUCER unless PRODUCER secures the express prior written consent of MINICO for MINICO to accept any expense of PRODUCER.
10. With respect to cancellations or endorsements resulting in return premiums on policies, PRODUCER shall promptly refund to MINICO the advance commission at the same rate at which the commission payable on such policies initially was computed.

COVENANTS AND OBLIGATIONS OF PRODUCER

11. PRODUCER is hereby authorized to solicit, receive and transmit to MINICO applications for insurance contracts.
12. PRODUCER shall collect all premiums, taxes and fees (if applicable) on behalf of MINICO for all policies bound or written hereunder.
13. PRODUCER shall remit premiums less commissions retained, and any taxes and fees in accordance with Section 8, to MINICO within 21 days of PRODUCER's receipt of billing invoice.
14. PRODUCER unconditionally guarantees payment to MINICO of all premiums due on policies bound or written.
15. PRODUCER shall not at any time represent or hold itself out as being an agent of MINICO and has no authority hereunder to bind insurance risks.
16. PRODUCER shall not represent or interpret the application of coverage due under the policy on behalf of MINICO or the insured. PRODUCER shall only submit applications for placement or attempted placement by MINICO. MINICO shall be the sole judge whether it will attempt to place risks submitted by PRODUCER and shall incur no liability for failure to place any risk.
17. PRODUCER shall act as an independent contractor, and is not to be considered an employee of MINICO.
18. PRODUCER shall promptly report to MINICO all policy issues and claims involving contracts of insurance placed by MINICO hereunder, but PRODUCER shall not remediate issues, assign or adjust claims, as such assignments or adjustments being the right of MINICO. PRODUCER must, immediately upon discovery or receipt, report and forward to MINICO all policy issues, claims, losses and related documents. Additionally, PRODUCER shall cooperate with MINICO and its adjusters and attorneys to investigate, remediate, adjust, or defend any policy issue, claim or loss.

19. PRODUCER shall maintain in full force and effect during the term of this PRODUCER AGREEMENT a policy (or policies) of Errors and Omissions Insurance issued by an insurer rated no less than A - VII by A.M. Best Company and which afford(s) coverage in the minimum amount of \$1,000,000/\$1,000,000 each occurrence or each claim. Such Errors and Omissions Insurance shall be maintained by PRODUCER at PRODUCER's sole cost and expense. PRODUCER shall provide notification to MINICO in the event of the termination or lapse of such insurance and shall furnish proof of such insurance at inception of this PRODUCER AGREEMENT and at MINICO's request.
20. PRODUCER agrees to indemnify, defend, and hold harmless MINICO and its directors, officers, employees, and agents, from and against any and all liability(ies), demands, claims, losses, damages, injuries, or expenses (including reasonable attorneys' fees) arising out of or relating to PRODUCER's performance or failure to perform its obligations hereunder, or arising out of or relating to any obligation, act, or transaction created or performed by the PRODUCER in violation of, or in contravention of the agreements as set forth herein, including but not limited to the production and placement of insurance accounts by PRODUCER with MINICO.
21. PRODUCER agrees to give MINICO a minimum of 45 days written notice in the event PRODUCER is selling or transferring a substantial portion of assets or more than 50% of the stock of the producer entity named on Page 1 of this PRODUCER AGREEMENT and covered by this PRODUCER AGREEMENT. Notice is to be sent to MINICO by U.S. Mail to MINICO's business address on this PRODUCER AGREEMENT.
22. PRODUCER shall be solely responsible for compliance with all surplus lines regulations including, but not limited to, licensing, collection and remittance of all applicable surplus lines taxes and/or fees, submission of policies to state surplus lines stamping office(s), and ensuring that proper due diligence with respect to authorized company declinations has been conducted and documented, to the extent such due diligence is required by state regulation unless PRODUCER secures the express prior written consent of MINICO to the contrary.

CONFIDENTIALITY

23. PRODUCER and MINICO recognize and agree that each party may be provided with confidential and non-public information of the other party, including, but not limited to, client data, reports, documentation, knowledge, trade secrets and sensitive information about customers ("Confidential Information"). Each of the parties shall maintain the confidentiality of the Confidential Information of the other party and its customers, take steps to minimize the dissemination or copying of such Confidential Information, and use the Confidential Information solely for performing its obligations under this PRODUCER AGREEMENT. The parties agree to abide by all state and federal information privacy laws to ensure that the personal, non-public information of customers' remains confidential at all times.

TERM AND TERMINATION

24. This PRODUCER AGREEMENT shall become effective as of the EFFECTIVE DATE and shall continue in force and effect until terminated in accordance with the provisions below.
25. This PRODUCER AGREEMENT may be terminated by either PRODUCER or MINICO by providing thirty (30) days written notice to the other party.

26. This PRODUCER AGREEMENT may be terminated immediately upon the occurrence of any of the following events:

- a. The revocations or suspension by any insurance regulator of the insurance producer license of either MINICO or PRODUCER needed to administer this PRODUCER AGREEMENT;
- b. Any act or conduct of PRODUCER which constitutes fraud or dishonesty against MINICO, or which amounts to gross negligence or willful or serious misconduct by PRODUCER to the substantial detriment of MINICO;
- c. The liquidation of either MINICO or PRODUCER by reason of involuntary filing of a petition in bankruptcy or an unconditional assignment for the benefit of creditors or the appointment of a receiver on behalf of either party; and
- d. A violation of this PRODUCER AGREEMENT.

27. This PRODUCER AGREEMENT shall be terminated automatically if the PRODUCER has had no active policies within 18 months after the expiration of the last active policy. Furthermore, MINICO recognizes that the PRODUCER's records and the use and control of the expirations shall remain the property of PRODUCER, and MANAGER will not directly or indirectly market to any expiration placed with MANAGER unless presented to MANAGER by another producer under a broker/agent of record letter or at the request of the insured.

SURVIVAL OF REPRESENTATIONS, WARRANTIES, DUTIES AND OBLIGATIONS

28. All representations, warranties, duties and obligations made by MINICO and PRODUCER hereto shall survive termination of this PRODUCER AGREEMENT.

ADVERTISING PROHIBITION

29. It is understood and agreed that this PRODUCER AGREEMENT is private between MINICO and PRODUCER. PRODUCER may not and is prohibited from any advertising respecting MINICO and/or the issuing insurance carrier(s) without the express prior written consent of MINICO.

MISCELLANEOUS PROVISIONS

30. Any term or provision of this PRODUCER AGREEMENT which is invalid or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this PRODUCER AGREEMENT or affecting the validity or enforceability of any of the terms or provisions of this PRODUCER AGREEMENT in any other jurisdiction. If any provision of this PRODUCER AGREEMENT is so broad as to be unenforceable, the provision will be interpreted to be only as broad as would be enforceable.

31. Any and all notices required to be given pursuant to the terms and conditions of this PRODUCER AGREEMENT shall be in writing and shall be deemed duly given when sent by certified mail, return receipt requested to the last known principal address of the party to whom such notice is required to be given.

32. The prevailing party in any litigation, arbitration or other proceedings arising out of this PRODUCER AGREEMENT shall be reimbursed by the other party for all costs and expenses incurred in such proceedings, including reasonable attorneys' fees.
33. This PRODUCER AGREEMENT contains the entire understanding of the parties and supersedes any prior understandings and agreements, written or oral; respecting the subjects discussed herein and may not be amended except in writing signed by both parties. No assignment of this PRODUCER AGREEMENT or of any rights or obligations hereunder may be made by any party to this PRODUCER AGREEMENT without the express prior written consent of the other parties; except that MINICO may assign its rights and obligations under this PRODUCER AGREEMENT to any party that is a successor to MINICO's stock, assets or business without the express prior written consent of PRODUCER. This PRODUCER AGREEMENT shall apply to, and inure to the benefit of and be binding upon and enforceable against, each party hereto and its successors and permitted assigns. Nothing in this PRODUCER AGREEMENT is intended or will be construed to give any person, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this PRODUCER AGREEMENT or any provision contained herein, unless otherwise expressly provided herein.
34. This PRODUCER AGREEMENT will be deemed to have been made under and governed by the laws of Arizona, without regard to Arizona choice of law rules.
35. This PRODUCER AGREEMENT may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This PRODUCER AGREEMENT will become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties hereto. Execution and delivery of this PRODUCER AGREEMENT may be made electronically.
36. The headings in this PRODUCER AGREEMENT are for the convenience of reference only and will not affect its interpretations.
37. Any and all disputes, disagreements or questions of interpretation arising out of this PRODUCER AGREEMENT or any breach hereof which the parties themselves cannot resolve shall be settled by arbitration with a panel of three arbitrators in the City of Phoenix, Arizona, with the then existing rules of the American Arbitration Association. Any judgment upon the award rendered by the arbitrators can be entered at any court having jurisdiction thereof.

By: _____

By: _____

Name (print): _____

Mike Schofield
President & CEO
MiniCo Insurance Agency, LLC

Title: _____

Company: _____

Dated: _____

Dated: _____