



MiniCo Insurance Agency, LLC
2531 W. Dunlap Avenue • Phoenix, AZ 85021
Toll Free: 800-528-1056 • In Arizona: 602-870-1711
Fax: 602-861-1094 • Internet: www.minico.com

PRODUCER AGREEMENT

This Agreement is made this _____ day of _____, 20____, by and between _____ ("PRODUCER"), and MINICO INSURANCE AGENCY, LLC ("MANAGER").

PRODUCER AND MANAGER AGREE AS FOLLOWS:

1. PRODUCER is hereby authorized to:
 - a. Solicit, receive and transmit to the MANAGER applications for insurance contracts;
 - b. Receive and accept proposals for insurance covering only such classes of risks and in such amounts as MANAGER may authorize;
 - c. Collect and receipt for premiums and, as full compensation, retain commissions, as agreed upon, out of premiums so collected. The PRODUCER agrees to refund return commissions on policy cancellations or reductions at the same rate at which such commissions were originally retained; and
2. PRODUCER shall act as an independent contractor, and is not to be considered an employee or agent of MANAGER or any insurer with whom MANAGER places risks.
3. PRODUCER has no authority hereunder to bind insurance risks or represent or interpret the application of coverage due under the policy on behalf of MANAGER or the insured, but only to submit applications for placement or attempted placement by MANAGER; MANAGER 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.
4. The PRODUCER agrees and represents that he/she, and their firm if required, has and is duly licensed under the appropriate state laws and in all jurisdictions where business is conducted pursuant to this Agreement, including E&S licenses where required under individual state laws. Additionally, true copies of all applicable licenses shall be furnished to MANAGER immediately upon request, and PRODUCER agrees that it is his/her sole responsibility 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 Agreement.
5. MANAGER may initiate appointment of PRODUCER by Company, after which PRODUCER will countersign all policies written with Company in the states where PRODUCER is licensed and appointed. Notwithstanding such appointment, if the PRODUCER is a broker, then the PRODUCER is acting solely on behalf of the insured and is not an agent of the MANAGER or insurer.
6. PRODUCER hereby authorizes MANAGER or MANAGER's designee to countersign policies in those states where PRODUCER is not licensed and appointed by Company.
7. For each policy written, the rate and terms of the commission payable by MANAGER to PRODUCER will be communicated at time of quote or issue.

8. PRODUCER shall collect premiums on behalf of MANAGER for all policies written and retain commissions due from premiums collected. PRODUCER shall remit premiums, less commissions retained, to MANAGER within 21 days of PRODUCER's receipt of billing statement.

9. PRODUCER unconditionally guarantees payment to MANAGER of all premiums due on policies written. Any such premiums not collected and remitted within the time specified in (8) above shall be payable by PRODUCER to MANAGER forthwith upon written demand. Additionally, PRODUCER is responsible for collecting and remitting to MANAGER any additional premium in the event of a short-rate cancellation within the time specified in (8) above.

10. MANAGER shall have the right to offset any amounts due MANAGER from PRODUCER against amounts due PRODUCER by MANAGER.

11. With respect to cancellations or endorsements resulting in return premiums on policies, PRODUCER shall refund to MANAGER the advance commission at the same rate at which the commission payable on such policies initially was computed.

12. With respect to policies issued subject to audit, PRODUCER agrees in the event of cancellation of such policies to be responsible for the amount of pro-rata premium that shall come due to the premium finance company under any premium financing agreements.

13. As used in this Agreement, the term "premium" shall include, but shall not be limited to: Policy premiums, audits, additional premiums, taxes, stamping fees, policy fees, inspection fees, engineering fees and surcharges.

14. PRODUCER shall promptly report to MANAGER all claims involving contracts of insurance placed by MANAGER hereunder, but PRODUCER shall not assign or adjust claims, such assignments or adjustments being the right of MANAGER. PRODUCER must, immediately upon receipt, report and forward to MANAGER all claims, losses, and related documents. Additionally, PRODUCER shall cooperate with adjusters and attorneys appointed by MANAGER or MANAGER's companies to investigate, adjust, or defend any claim or loss.

15. PRODUCER shall maintain in full force and effect during the term of this Agreement a policy (or policies) of Errors and Omissions Insurance issued by an insurer rated no less than AVII by A.M. Best Company and which afford(s) coverage in the minimum amount of \$1,000,000/\$2,000,000 per occurrence or claim made, subject to later increase depending upon the volume of business written. Such Errors and Omissions Insurance shall be maintained by PRODUCER at PRODUCER'S sole cost and expense. PRODUCER shall provide notification to MANAGER in the event of the termination or lapse of such insurance and shall furnish proof of such insurance at inception of this Agreement and at MANAGER'S request.

16. This Agreement may be terminated by either PRODUCER or MANAGER upon notice in writing. PRODUCER shall not be entitled to commissions on additional premiums developed after the date of termination and shall not be charged with the return of commissions on refunded premiums effective after the date of termination.

17. MiniCo Insurance Agency, LLC, and PRODUCER each agree to indemnify, defend, and hold harmless the other party 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 the indemnifying party'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 indemnifying party in violation of, or in contravention of the agreements as set forth herein. This provision shall survive any termination of this Producer Agreement.

18. This Agreement shall be governed by the laws of the State of Arizona.

19. The prevailing party in any litigation, arbitration or other proceedings arising out of this Agreement shall be reimbursed by the other party for all costs and expenses incurred in such proceedings, including reasonable attorneys' fees.

20. If any provision of this Agreement shall be held invalid or unenforceable, such impediment shall attach only to such provision and shall not in any manner render invalid or unenforceable any other provision of this Agreement.

21. This 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.

22. PRODUCER agrees to allow MANAGER full communication access to agency and its employees including, but not limited to, e-mail and fax communication.

23. This Producer Agreement may be terminated by either party upon reasonable notice to the other.

24. PRODUCER agrees to give MANAGER 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 Agreement and covered by this Agreement. PRODUCER also agrees to provide MANAGER with a minimum of 45 days written notice if PRODUCER sells a policy or policies covered under this Agreement. Notice is to be sent to MANAGER by U.S. Mail to MANAGER's business address on this Producer Agreement.

By: _____
Mike Schofield
President & CEO
MiniCo Insurance Agency, LLC

By: _____
Name (print): _____
Title: _____
Company: _____
Dated: _____

Dated: _____