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PRODUCER AGREEMENT

AGREEMENT, made this _____ day of _____, 20_____,
by and between **ADVANCED E&S OF ILLINOIS LLC**, hereinafter referred to as **ADVANCED**; and

PRODUCER: _____

LOCATION: _____

CITY: _____

STATE: _____

ZIP: _____

hereinafter called **PRODUCER**.

WHEREAS, the PRODUCER warrants the PRODUCER holds an insurance license issued by the state listed above, currently in force and

WHEREAS, PRODUCER desires ADVANCED to place risks of PRODUCER'S CLIENTS (HEREINAFTER REFERRED TO AS THE "INSURED") with and for acceptance by admitted companies and/or non-admitted companies, in compliance with the laws, rules and regulations pertaining thereto, regarding the placement of such business; and

WHEREAS, ADVANCED agrees to allow PRODUCER a commission on such business, if and when placed, at such rates as are agreed from time to time by the parties hereto:

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

PRODUCER RESPONSIBLE FOR PAYMENT OF PREMIUM: PRODUCER shall be and remain liable to ADVANCED who will invoice PRODUCER on each risk where coverage is effective at the request of the PRODUCER. Such invoice will be due and payable on the date indicated in the invoice and may vary based upon the credit terms of the issuing company. **PRODUCER agrees that payment of any minimum earned premium required by issuing company will be the responsibility of the PRODUCER. PRODUCER shall be and remain liable to ADVANCED for all earned premiums, whether or not collected from the insured by PRODUCER.**

DIRECT COLLECTION: If, after the expiration of sixty (60) days from the date liability was assumed by the insurance carrier, ADVANCED has not received the amount due it, ADVANCED may, at its option, collect from the Insured the premium due. In the event ADVANCED collects the premium or any part thereof from the Insured, PRODUCER shall not be entitled to any commission on the premium so collected. Attempts by ADVANCED to collect from the Insured shall not relieve PRODUCER of liability to ADVANCED except to the extent of amounts actually collected by ADVANCED from the Insured, less expense of such collection.

FLAT CANCELLATIONS: No insurance contract may be returned to ADVANCED by PRODUCER for flat cancellation unless it is returned prior to the inception, or effective date, of contract. Earned premium shall be computed and charged on every contract cancelled after inception in accordance with the cancellation provisions of such contract.

UNEARNED COMMISSIONS: PRODUCER AGREES TO REFUND TO ADVANCED unearned commissions on all business placed with ADVANCED on cancelled policies, or reduced premiums, at the same rate at which such commissions were originally allowed PRODUCER. Such refund shall be paid to ADVANCED and paid by the due date indicated on the billing invoice.

AUDITABLE POLICIES: NOTWITHSTANDING ANYTHING TO THE CONTRARY HERIN SET FORTH, in the situation where premium for a policy or policies which have been issued cannot be fully determined in

advance and where an adjustment or determination, after a specific time period, by audit or otherwise shall have been made, then the amount of such additional premium due shall be paid by the PRODUCER to ADVANCED and paid by the due date indicated on the billing invoice.

NO BINDING AUTHORITY: The parties hereto understand and agree that in no event, nor under any circumstances whatsoever, shall this Agreement ever be interpreted or construed to the effect that the PRODUCER may bind ADVANCED or any company or underwriter represented by ADVANCED.

NOTICE OF EXPIRATION AND RENEWAL REQUESTS: ADVANCED shall be under no obligation to give PRODUCER advance notice of expiration of any policies of insurance which PRODUCER, from time to time, procures through ADVANCED.

OWNERSHIP OF THE BUSINESS: The parties agree that in the event of termination of this Agreement, the PRODUCER having accounted for and paid over all premiums for which he is or may be liable, the PRODUCER'S records and use and control of expirations, shall remain the property of the PRODUCER.

OTHER AGREEMENTS: It is specifically understood and agreed that notwithstanding anything to the contrary herein set forth, this Agreement shall not be interpreted or construed so as to:

- a) Prevent the PRODUCER from executing other or similar agreements with competitive markets.
- b) Compel ADVANCED to accept or place all or any of the business offered to it by the PRODUCER.

HOLD HARMLESS: The PRODUCER shall indemnify and hold ADVANCED harmless against any claims, liabilities or costs (including Attorney's fees and expenses) which ADVANCED may become obligated to pay as a result of loss to Insureds caused directly by an error or omission of the PRODUCER in the processing of any business placed and/or attempted to be placed by the PRODUCER with ADVANCED.

ACCEPTANCE OF AGREEMENT BY ADVANCED: The parties hereto agree that this Agreement shall not become effective until accepted by ADVANCED. The parties agree that this Agreement contains all of the contractual arrangements existing between them relative to the brokerage relationship, and all other written or oral arrangements are deemed to be merged herein.

MODIFICATION OF THIS AGREEMENT: This Agreement may not be changed or modified except in writing and signed by the parties hereto.

TERMINATION OF THIS AGREEMENT: This Agreement may be terminated at any time, by either party, upon ten (10) days written notice to the other party. Such termination, however, shall in no event affect the respective rights or liabilities of either party accruing up to the date of termination.

CONFORMITY TO STATUE: Any portions of this agreement that are not in conformity with state or local laws are hereby amended to conform to those laws, but this does not abrogate the remainder of this agreement.

PRODUCER is an independent contractor and not an employee of ADVANCED. ADVANCED does hereby appoint and grant authority to PRODUCER to:

- a) Solicit, submit applications and quote policies and endorsements; and
- b) Provide all usual and customary services of an insurance agent, for which PRODUCER has authority from ADVANCED, on all contracts of insurance accepted by ADVANCED from PRODUCER.

PRODUCER understands that ADVANCED is not an Insurance Company or Carrier, cannot function as one and must follow the requirements of the issuing carrier.

PRODUCER shall maintain proper licenses, in all jurisdictions where business is conducted, and file a current copy with ADVANCED at all times.

PRODUCER'S records pertaining to ADVANCED'S business shall be subject to inspection and audit by ADVANCED, or the Insurance Carrier, at any reasonable time.

INDEMNIFICATION: PRODUCER shall indemnify ADVANCED against any liabilities ADVANCED may incur as a result of any act of PRODUCER in violation of this Agreement. In addition, PRODUCER shall indemnify and hold ADVANCED harmless for all fines, penalties and related expenses which ADVANCED may incur as a result of any action of PRODUCER which is in violation of any law or regulation, including any and all liability and cost of defense resulting from any suit being brought against any and all parties for any error or omission of the PRODUCER, its principals, or its employees, for errors and omissions of the PRODUCER, its principals, and its employees in an amount of not less than \$1,000,000 Liability limits and will furnish copy of declaration page or certificate each year on renewal.

SUCCESSOR CLAUSE: PRODUCER shall notify ADVANCED of its intent to sell, merge or otherwise transfer all or part ownership of its insurance agency or its interest in the expirations of business placed with ADVANCED. Such notice shall be given as soon as practicable but not less than thirty (30) days prior to the effective date of any such proposed transaction. ADVANCED shall not unreasonably withhold its appointment of any successor agency provided that PRODUCER has given the notice required by this article and has complied in all material respects with the obligations imposed upon PRODUCER by this Agreement.

ATTORNEYS' FEES: In the event that either party hereto brings suit upon or related to this Agreement, then the non-prevailing party shall pay all reasonable court costs and attorneys' fees of the prevailing party.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year stated above.

Tax ID# _____ PRODUCER _____
SS# (If Individual) _____ By _____
Date Executed _____
(Title)

WITNESS _____

Agreement accepted and effected at Advanced E&S of Illinois, LLC, this _____ day
Of _____, 20_____.

Date Executed _____ By _____
Witness _____
(Title)