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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 the 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 to prior 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 COMISSIONS: 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 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**.

INDEMNIFICATION: The **PRODUCER** shall indemnify and hold **ADVANCED** harmless against any claim, liabilities or costs (including attorney 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**.

ADVANCED shall indemnify and hold **PRODUCER** harmless against any claims, liabilities or costs (including attorney fees and expenses) which **PRODUCER** may become obligated to pay as a result of loss to insureds caused directly by an error or omission of **ADVANCED** in the processing of any business placed and/or attempted to be placed by the **PRODUCER**.

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: The 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.

ERRORS AND OMISSION INSURANCE: PRODUCER will carry Errors & Omissions coverage in amount not less than \$1,000,000 liability limits and will furnish **ADVANCED** with a copy of the declarations page or certificate each year on renewal.

SUCCESSOR CLAUSE: PRODUCER shall notify the **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)