



PRODUCER AGREEMENT

Instructions: Complete and execute in duplicate and return both originals to Westwood Insurance Group. One original executed copy will be returned to You. Attach a copy of Your Broker or Agent License, an Insurance Certificate verifying Insurance Broker's Errors & Omissions Coverage, and Your latest year-end financial statement.

Westwood Insurance Group, hereafter referred to as “we”, “us”, or “our”, as Agent or Program Manager for various affiliated or unaffiliated insurance companies, agrees to open an account for:

_____ dba: _____
(Name of Agency or Licensed Producer) hereinafter referred to as “you” or “your”.

Business Entity (check one):

- Corporation
 LLC

- Partnership
 Individual Proprietorship

Agency Type (Check All That Apply):

Retail

Excess & Surplus Lines

Employer I.D. (F.E.I.N.) # _____ SS# _____

Agency/Broker License # _____

State(s) Licensed: _____

WITNESSETH THAT:

This Agreement governs the relationship between **you** and **us** for underwriting and binding insurance products. It replaces all previous contracts and agreements, whether oral or written, between **you** and **us** for such business.

- BINDING AUTHORITY.** In no event may **you** bind **us** or the insurance carriers represented by **us** on any risk or endorsement thereto.
- LICENSURE.** **You** warrant that **You** are duly licensed by the State (s) of _____ as an independent insurance _____, that no license issued to **You** for the sale of insurance has ever been revoked or suspended, and that **You** have never been convicted of

any crime involving moral turpitude or dishonesty. **You** agree to pay all applicable license fees and taxes.

3. **RELATION OF PARTIES.** **You** are not an employee of **The Westwood Group** and nothing contained in this Agreement shall be construed to create the relation of employer and employee between **you** and **us**.
4. **GENERAL PROVISIONS:**
 - a) **Your Responsibilities and Authority.** **You** are responsible for obtaining complete submissions from account(s)/client(s) **you** represent, and will use **your** best efforts to obtain all underwriting information **we** request and to obtain compliance from **your** account(s)/client(s) with all of **our** underwriting requirements. Coverage for any account(s)/client(s) submitted to **us** by **you** for consideration will not be effective until **you** receive confirmation in writing from **us**. **We**, at **our** sole discretion, reserve the right to accept or reject any submission or account submitted by **you**.

You agree to abide by all rules and requirements established by **us**, or the insurance carriers represented by **us**, governing the placement of insurance. **You** have no authority to bind any insurance carriers **we** represent or **us**, except as expressly permitted in writing by such insurance carrier or **us**. **You** shall have no authority to extend the time for payment of premiums, or to waive or extend any policy obligation or condition, or to incur any liability on **our** behalf, unless **we** expressly grant such authority to **you** in writing. **You** will obtain all required documents from **your** account(s)/client(s) arising out of the failure or refusal to issue any insurance.

You will strictly abide by all **our** quoted proposal and credit terms, and acceptance of insurance based on such proposal will be deemed acceptance of all associated terms. All insurance issued to **you** shall be delivered by **you** to **your** account(s)/client(s) in a timely manner and in full compliance with **our** instructions and conditions.

You acknowledge that **you** will be responsible for collecting, filing and remitting all applicable surplus lines taxes and fees, surcharges or other state or municipal taxes.

- b) **Premiums, Commissions And Accounting.**

A copy of the commission schedule is attached hereto as Schedule B.

On producer-billed accounts **you** shall be responsible for billing and collecting all premiums and fees for insurance hereunder. **You** guarantee the payment of all premium and fees due to **Us** on all insurance bound or written pursuant to this agreement. **You** accept full responsibility for the collection and payment to **Us** of all premium, return premium, countersignature fees, any resulting charges required by any state and any other applicable fees and taxes, and agree to make full payment to **Us** under the terms and conditions in place at the time of binding. **Your** payment is not contingent upon the issuance of a policy.

In the event that billings and remittances are not made in accordance with **our** payment requirements, **we** reserve the right to direct-bill or cancel insurance provided to **your** account(s)/client(s) by a carrier represented by **us** or **us**.

You agree to deliver to **us** immediately any collateral, fees or premium received by **you** from **your** account(s)/client(s). No payment accepted by **you** for collateral, fees or premium is considered as paid to **us** until such collateral, fees or premium is received by **us**. ***You** agree that insurance Policy and Endorsement premiums are due to **us** no later than thirty (30) days from the effective date of such Policy or Endorsement.* Policies and Endorsements for which premiums have not been paid within thirty (30) days are subject to cancellation, and, any reinstatement will be made at **our** sole discretion. In the event of reinstatement, we reserve the right to reduce or eliminate **your** commission. *Should it become necessary for **us** to exercise our right to direct bill any premium due **us**, **you** agree to forfeit any and all commissions on such premium.*

Premium payments may be made net of commission at the rate specified by **us**, but only to the extent of commission applicable to the portion of the premium being paid by **us**. *Should it become necessary for **us** to place any premium due **us** for collection, **you** agree to forfeit any and all commissions on such premium.* With respect to any premium due as a result of a premium audit, **we** will allow thirty (30) days from the time such premium is invoiced before placing such premium due for collection.

We may change **your** commission rate upon thirty (30) days' notice to **you** in writing for business produced after the date of such notice. All Policies in force at the time of such notice will continue to be commissionable at the original rate until expiration.

Unearned Commissions You shall be liable to Us and shall pay return commissions at the same rate as originally allowed to You for all return premium adjustments or cancellations, including return premium on cancellations ordered or made by the Insurer or Finance Company. Such return commission shall be paid to Us by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and You have been issued a credit, or payment has been rendered, for such premium by Insurer; You will pay to Us such return premium less the unearned portion of any commission previously retained by You.

Financed Premiums On all premiums which have been financed, We will remit payment for any return premium, less unearned commission, directly to the Finance Company unless otherwise specified. The ultimate liability of Us for payment to a Finance Company, You or Insured shall never exceed the amount of return premium less unearned commission developed. You agree to hold Us harmless from any responsibility for payment to Finance Company and further agree that financing arrangements do not diminish the responsibility for the timely payment of premium by You.

5. **OUR RESPONSIBILITIES.** We have no responsibility for any of **your** expenses, and **you** will be considered an independent contractor.

We assume no responsibility to **you** or **your** account(s)/client(s) with regard to the adequacy of amount or limit of liability on any insurance Policy (ies) issued to **your** account(s)/client(s) by an insurance carrier we represent or **us**. We shall use **our** best efforts but not be liable for any delay in responding to submissions of requests.

6. **INDEMNITY.** You shall hold **us** harmless from and shall indemnify and defend **us** against any claim, loss, damage, expense, including without limitation, attorney fees and court costs, by reason of any act or omission by **you** including those of **your** principal owners, officers, directors, employees, or representatives which results in any non compliance or non conformance with or violation of any law, regulation or ruling relating to the business placed or attempted to be placed with **us** by **you** or by reason of any act or omission of **you** which breaches or violates any agreement or relationship between **you** and any other person, corporation, partnership or entity.

We will hold **you** harmless from and shall indemnify **you** against claims, damages, liabilities, and expenses as a direct result from:

Our error or omission in preparing, processing, billing or servicing ay policy or endorsement, except to the extent that **you** caused, contributed to, or compounded such error;

Failure of a policyholder to receive notice of cancellation, non-renewal, or any notice affecting coverage, where we send notices directly to the policyholder, except to the extent that **you** caused, contributed to, or compounded such error;

Our actual or alleged failure to comply with the requirements of the Fair Credit Reporting Act, Federal Truth in Lending Law, Fair Credit Billing Act, federal and state privacy laws, or failure to comply with any requirements of any other laws where **you** are supplied forms by **us**, or following instructions or procedures established by **us**, except to the extent that **you** caused, contributed to, or compounded such error;

Damages sustained and caused by any of **your** actions using forms supplied by **us**, or following instructions or procedures established by **us**, except to the extent that **your** failure to follow such forms, instructions or procedures caused, contributed to, or compounded such error;

You will give **us** written notice as soon as **you** receive notice of any actions relating to the liabilities referred to in **our** indemnity provision above. We will be entitled, but not required, to participate in such action or to assume the defense of any such action. If **you** fail to promptly notify **us** of any action, or fail to cooperate fully with **us** in the defense of such action, we will be relieved of **our** indemnification obligations. If we assume the defense of any such action, we will not be liable to **you** for any legal or other expenses subsequently incurred by **you** in connection with such action, without **our** prior approval of the expense.

7. **CLIENT RELATIONSHIPS.** We recognize **your** relationship with **your** account(s)/client(s). We agree not to solicit directly the business of accounts submitted to **us** by **you** during the term of this Agreement. It is expressly understood and agreed by **you** that, in the normal course of business, the insurance carriers represented by **us** or **we** will from time to time have occasion to deal directly with **your** account(s)/client(s) for various purposes including, but not limited to, account servicing and loss control.

In the event that **we** terminate this Agreement because of breach of the Agreement by **you**, or in the event that **your** account(s)/client(s) change their broker of record, **you** relinquish and waive all right or claim to subsequent renewals, additional premiums, or commission on subsequent insurance from any insurance carrier **we** represent or **us**, as the case may be.

8. **CLAIMS.** **You** shall notify **us** immediately of any claim of which **you** become aware on any Policy of insurance written by any carrier represented by **us** or **us** and shall provide **us** with all relevant information of which **you** become aware or subsequently obtain and will provide **your** full cooperation to any insurance carrier in connection therewith and **us**.
9. **LEGAL MATTERS.** At **our** cost and with prior notice to **you**, **we** have the right, but not the duty or obligation, to audit **your** compliance with any and all terms and conditions of this Agreement. **You** agree to cooperate with any such audit.
10. **WARRANTS.** **You** warrant that **you** are and shall remain a licensed broker/agent in the jurisdiction in which **you** are principally located and shall provide evidence of such licensure to **us**. **You** shall immediately notify **us** of any change in that license status. Further, as with respects to all other jurisdictions in which **you** conduct the transaction of insurance, including, but not limited to sales, solicitation and negotiation, **you** warrant that **you** are and shall remain, for the length of this Agreement, in compliance with all applicable laws, statutes, ordinances, decisions, rules and regulations governing licensure.

You warrant to **Us** that: (1) **You** and each person who is assigned a passcode are and will be in rightful possession of all information that will be input into the Website under this Agreement from whatever source; and (ii) **Our** use of such information will not infringe the rights of any third party or constitute a defamation, invasion of privacy, or violation of any right of publicity or other third party right.

You warrant, represent and covenant that, to the best of **your** knowledge, each application for insurance shall be executed completely, accurately, and truthfully by **you** and/or an authorized representative of **your** account(s)/client(s). **You** also acknowledge that the insurance carriers **we** represent and **we** will be relying upon the statements and representations in such application(s) and the representations **you** make as to the application's (s') completeness, accuracy and truthfulness.

You warrant that **you** shall comply with all lawful instructions, which may be issued from time to time by us.

You warrant to maintain complete and accurate books and records of all transactions and correspondence related thereto, conducted by or through **you**.

You warrant throughout the term of this agreement to maintain errors & omissions insurance coverage acceptable to **us**, and that provides contractual liability coverage covering this indemnity provision, and to provide **us** with proof of such coverage.

11. **TERMS AND CONDITIONS.** The initial term of this Agreement shall be for one (1) year from the date, as set forth below, and this Agreement shall automatically renew for successive one-year terms unless either party provides written notice to the other party to the contrary within thirty (30) days of the expiration of any such one-year term. Notwithstanding the foregoing, this Agreement may be terminated without cause upon ten (10) days' written notice by either party. All obligations shall continue to be performed and/or benefits earned by all parties under this Agreement until the effective date of termination (which shall be deemed the tenth day as set forth in the written notice of termination) shall be honored except as otherwise provided herein.
12. **ASSIGNMENT.** Neither this Agreement nor any interest herein is transferable or assignable by **you** without **our** express written consent.
13. **ADVERTISING.** **You** shall not insert any advertising referring to any insurance carrier represented by **us** or **us**, or issue or cause to have issued any letter, circular, pamphlet of other publication or statement so referring, without **our** express written consent. In the event **we** are subjected to loss or expense arising out of any unauthorized advertising publication or statement made by **you**, **you** shall be liable for all resulting damage and cost.
14. **COMPLAINTS, INVESTIGATIONS AND PROCEEDINGS.** **You** will promptly notify **us** of any allegation, reports or investigations that **you** or any of **your** employees violated any state, federal, or securities laws such as but not limited to bank fraud, insurance fraud, wire fraud, securities fraud, accounting fraud or any regulation of the Securities and Exchange Commission which may impact **your** ability to issue Certificate of Insurance for **us**, or any term or condition of this Agreement and will promptly notify **us** of complaints made to **you**, or any of **your** employees or representatives, concerning **our** business. Likewise, **you** will provide **us** with full details, including copies of all documents pertaining thereto. **You** will also cooperate fully with **us** in any regulatory, judicial or **our** investigation or proceeding related to the solicitation of applications for or the sale of policies by **you** or any of **your** employees or representatives.

You will keep accurate and complete records of all transactions, including financial transactions relating to the solicitation of applications and the sale of Policies for **us**. These records will be made available to **us** for inspection upon request, including after termination of this Agreement.

15 RECORDKEEPING AND RECORD RETENTION WITH RESPECT TO THIS AGREEMENT:

- a) **Recordkeeping.** **You** shall maintain complete and accurate records and books of account with respect to this Agreement utilizing generally accepted accounting principles

("GAAP"), consistently applied and complying in all respects with all applicable laws. Such records and books, and the accounting controls related thereto, shall be sufficient to provide reasonable assurance that: transactions are recorded so as to permit the preparation **your** financial statements in accordance with GAAP and to maintain accountability for its assets; and the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Such records and books of account of **your** business shall be maintained by **you** at its principal business office and each of the parties may examine and make extracts of information and copy any part thereof at any reasonable time during normal business hours.

- b) **Record Retention.** **You** shall retain records and supporting documentation with respect to this Agreement sufficient to document the performance of its obligations hereunder and the related fees charged to **The Westwood Group**, for a minimum of five (5) years, or such longer period required by law, following the completion of the transaction to which such performance and fees relate.

16 **GOVERNING LAW, JURISDICTION AND VENUE.** This Agreement shall be governed by and shall be construed in force in accordance with the laws of the State of Ohio applicable to agreements entered into within such State, without reference to the conflict of law rules of such State. The parties agree that all disputes that may arise under this Agreement shall be submitted to the state or county courts located in Cuyahoga County, Ohio or the United States District Court for the Northern District of Ohio/Cleveland Division, and the parties acknowledge that such courts shall have jurisdiction and venue over this Agreement and any disputes relating thereto or arising thereunder, and each party specifically waives any claims or objections to jurisdiction and venue of such courts.

17 **NO REBROKERING.** You shall not act as an underwriter or rebroker (double broker) for any application or policy underwritten pursuant to this Agreement without Our express written consent.

18 **FORCE MAJEURE.** Neither **The Westwood Group** nor **you** shall be held responsible for any delay or failure in performance under this Agreement arising out of causes beyond its control, or without its fault or negligence. Such causes may include, but are not limited to, fires, terrorist acts, strikes, embargoes, shortages or supplies of raw materials, or components or finished goods, acts of God, acts of regulatory agencies or national disasters.

19 **GENERAL.** This Agreement constitutes the entire Agreement among the parties hereto and supercedes and cancels any prior agreements, representations, warranties, or communications, whether oral or written, among the parties hereto relating to the transactions contemplated hereby or the subject matter herein. Neither this Agreement nor any provision hereto may be changed, waived, discharged or terminated orally,

except in writing and signed by an authorized officer of the party against whom or which the enforcement of such change. Waiver, discharge or termination is sought.

For purposes of providing notices required or permitted by this Agreement, waiving any right under this Agreement, or amending any term of this Agreement and, notwithstanding any law recognizing electronic signatures or records, "a writing signed", "in writing", and words of similar meaning, shall mean only a writing in a tangible form bearing an actual wet" signature in ink, manually applied by the person authorized by the respective party, unless both parties agree otherwise by making a specific reference to this section.

THIS AGREEMENT is executed effective as of _____ day of _____, 20____, between **WESTWOOD INSURANCE GROUP** and "**you**".

dba: _____
(Name of Agency or Licensed Producer)

By: _____
Authorized Agency/Brokerage Signature Date

Name and Title

WESTWOOD INSURANCE GROUP

By: _____
Authorized Signature Date

Name and Title

SCHEDULE A

PROGRAM ITEM	DESCRIPTION
DEFINITIONS:	
TRAINING:	The Westwood Group may provide a user's manual. You will make yourself available for system training as required.
COMMISSION:	See Schedule "B" attached.
CARRIER(S) :	non-admitted and admitted insurers <i>Westwood Insurance Group reserves the right to select the carrier for each submission received.</i>
COVERAGE(S) AVAILABLE:	
POLICY TERM:	Annual; Up to () Year terms; Renewals

**SCHEDULE B
RETAIL PRODUCER COMMISSION AND PAYMENT SCHEDULE**

Commissions shall be negotiated on an Individual Risk Basis

COMMISSIONS

Commissions are paid on collected premium only. **Your** Commission Rate as shown above shall apply only to new business unless otherwise stated by an amendment or addendum to **your** Producer Agreement. **Your** Commission Rate on renewal business may be changed by us upon notice to **you**.

PAYMENT OF ACCOUNT

Payment of accounts is due to us no later than thirty (30) days from the effective date of the coverage you have requested us to bind. In the event that it becomes necessary for us to send Notice of Cancellation for Non-Payment of Premium ("Notice"), and premium is not received by or on the expiration date stated on the "Notice", we reserve the right to collect the premium directly, in which case you forfeit your right to any commission stated above or in any correspondence received from us prior to or subsequent to binding.