

Southern Specialty Underwriters LLC Producer Agreement

This Agreement is made and entered into by and between Southern Specialty Underwriters LLC, a Georgia Limited Liability Company (herein “the Company”) and _____ (herein “the Producer”) whose principal office is located at _____. Whereas, Producer is desirous of placing contracts of insurance through companies represented by Company (those companies referred herein as Insurer) and utilizing the underwriting facilities, knowledge, and services of Company, and

In consideration of Company placing risks of Producer’s clients (referred herein as Insured) from time to time with an Insurer or Insurers and for mutual promises and covenants set forth in this document it is agreed as follows:

1.Producer Not Agent or Representative - Producer is an agent for the applicant, and acts on behalf of the applicant for insurance, and is not acting as an agent, subagent or broker for Company. This agreement or the relationship between the parties and their officers and employees is not intended, and shall not be construed, to create a partnership, joint venture or employment relationship between Company and Producer. Producer is for all purposes an independent contractor.

Company shall be the sole judge of whether to accept, reject, or submit to Insurer for acceptance any applications of insurance for risks submitted by Producer and shall incur no liability for failure to place any such risk. Producer shall have no authority to bind any Insurer for Company, commit to or issue binders, policies, or other written evidence of insurance on behalf of Company or to make representations not strictly in accordance with the provisions of the policies and contracts placed under the terms of this Agreement. Producer shall not make, alter or vary any terms of coverage, or modify terms of payment of any premium or deposit, or incur any liability for Company.

2. Licenses, Insurance and Advertising - Producer warrants and represents that Producer is properly licensed to transact business as an agent or broker in accordance with the insurance laws, rules and regulations of each state in which Producer transacts business. Producer will maintain such license or licenses in good standing for the duration of this agreement and will furnish proof of such licensing upon request by Company. Producer will promptly notify Company of any suspension, cancellation or disciplinary action in respect of its license(s).

Producer shall not place an order with Company for any excess or surplus lines insurance unless Producer shall have first complied with any applicable state laws requiring the Producer to attempt to procure such insurance from insurers authorized to do business in the State of residence of the proposed Insured. The party responsible for the payment of surplus lines taxes shall also be responsible for full compliance with all relevant surplus lines laws of the pertinent State, including but not limited to, the collection and payment of surplus lines taxes, filing of affidavits, and providing the appropriate statutory and/or regulatory disclosure legends on all documents.

Producer warrants that he is properly insured for insurance agent’s Errors and Omission coverage with a minimum policy limit of one million dollars \$1,000,000 per occurrence (“Required E&O Coverage”) while this Agreement is in force and will furnish proof of such coverage upon request by Company. Producer further

warrants that each of producer’s agents or independent agents maintains Required E&O Coverage. Producer will provide Company with prompt written notice of any change, cancellation or other termination of this Policy.

Producer shall not cause any advertisement referring to or using the name of Company or Insurer, or issue or cause to have issued any letter, circular, pamphlet, or other publication or statement so referring, without the express written consent of Company. In the event Company suffers a loss or expense arising out of any unauthorized advertisement, publication or statement of the Producer, the Producer shall be liable for and hereby agrees to indemnify Company and hold Company harmless from all resulting damages, fines, penalties and costs.

3. Premium Payments and Commissions – The Company shall allow Producer, as commission, a percentage of the premium written at the rate agreed upon by Company and Producer from time to time.

Producer guarantees the full payment due Company of all premiums including deposit, earned, extension and adjustable premiums, fees, plus applicable state and local taxes, less commission, on every insurance contract bound or written for Producer pursuant to this Agreement whether or not collected by the Producer. Producer shall be liable to Company for the payment of all premiums, fees and taxes whether or not collected by the Producer. Payments shall be made in accordance with the terms specified in the invoice rendered by the Company or within ten (10) calendar days following the date of such invoice if no terms are specified. Producer's obligation to make payment to Company is not contingent upon the issuance of a policy.

Any credit extended to the Insured or others shall be at the sole risk and responsibility of the Producer unless agreed to in writing by Company.

Producer shall hold funds in a fiduciary account for business generated under this Agreement to the extent required by the insurance laws of each state in which Producer conducts business. Provided Producer is in compliance with all terms of this Agreement, Producer shall be entitled to any interest earned on said funds while so held by the Producer. Producer shall keep true, complete and accurate records involving business under this agreement and allow Company representatives the right examine these records during normal business hours.

If, after the expiration of sixty (60) days from the date liability was assumed by the insurance carrier, Company has not received payment due for the applicable coverage, Company may, at its option, collect from the Insured the premium due. In the event Company 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 Company to collect from the Insured shall not relieve Producer of liability to Company except to the extent of amounts actually collected by Company from the Insured, less the expense of such collection.

In the event Company shall have to bring any action or proceeding to enforce collection of any amount due under the terms of this agreement Producer agrees to pay all costs incident thereto, including reasonable attorney's fees and expenses, incurred by reason of such action or proceeding.

Producer shall be liable to Company and shall pay return commissions at the same rate as originally allowed to Producer 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 Company by the due date indicated on the billing document. If a return premium becomes due under any contract of insurance and Company has been issued a credit, or payment has been rendered, for such premium by

Company's Insurer; Company will pay to Producer such return premium less the unearned portion of any commission previously retained by the Producer.

Notwithstanding anything to the contrary herein set forth, in the situation where premiums for a policy or policies which have been issued cannot be fully determined in advance and where an adjustment or determination is made by an audit, retrospective rating or by interim reports are fully earned and due at the invoice date as evidenced by a Company or insurance Company invoice. Producer will make all reasonable efforts to collect amounts due. Producer will be relieved of responsibility for premium, so adjusted or determined, if Producer notifies Company in writing within 20 days after said invoice date, stating that Producer has made diligent efforts and is unable to collect such premiums and, provided the Insurer releases Company of liability for such premium. A copy of the Producer's invoice to the Insured, as well as copies of correspondence pertaining to the collection, must be sent with this notification. Failure to give Company timely notice shall constitute Producer's acceptance of responsibility to pay such premiums. If commission applies to these adjustments, none will be allowed to Producer on premiums collected directly by Company or Insurer under this provision.

4. Cancellations - Company will not recognize flat cancellations, i.e. cancelled back to policy inception *unless: (1) written evidence of coverage prior to the inception date of the contract for insurance is provided; and (2) such credit has been granted Company by its Insurer.* Earned premium shall be computed and charged on every binder, policy or contract cancelled after the inception date in accordance with the cancellation provision of the applicable contract and/or rules of the Insurer. If Producer does not make timely payment of any sums due Company, then Company may, without limitation of other remedies, initiate with Insurer to cancel the binder, policy or contract for non-payment. If coverage is bound by Company all additional fees charged by Company for the entire policy term shall be fully earned upon binding. Producer hereby acknowledges that Company, or its Insurers, is under no duty to reinstate a policy if the policy is cancelled. Producer deposits made directly to the Company for payment on a delinquent account will not constitute acceptance of these funds by Company with regard to reinstating any policy being cancelled. Producer shall not accept from Insured the late payment of premiums with prior knowledge, whether actual or constructive, that the policy for which the late premiums have been collected is cancelled.

5. Claims - Producer has no authority to handle other than to notify Company of their occurrence which Producer agrees to do immediately upon his knowledge of any claim or loss.

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

7. No Responsibility or Guarantee - Producer understands that Company assumes no responsibility toward any policy with regard to the adequacy, amount or form of coverage and agrees to indemnify and hold Company harmless from any claim asserted against Company in following the instructions of the Producer. Company is not an insurer and does not guarantee the financial condition of the Insurers with whom it may place risks. Company shall have no liability for non-payment of claims due to the insolvency of an Insurer, or otherwise, under contracts of insurance placed by Company.

8. Termination of Agreement - This Agreement may be terminated immediately at any time by either party giving written notice to the other by certified mail, return receipt requested. This Agreement will also terminate: (1) automatically, if any public authority cancels or declines to renew the Producer's license or certificate of authority, (2) automatically, on the effective date of the sale, transfer, or merger of Producer's business with the provision Company may, upon review, appoint the successor as a Producer, or (3)

immediately, upon either party giving written notice to the other of termination because of fraud, insolvency, failure to pay balances, or willful or gross misconduct. All representations and obligations of the Producer herein shall survive the termination of this Agreement.

After the date of termination of this Agreement, the Producer shall complete the collection and accounting to Company for all premiums, commissions and other transactions unaccounted for on the date of termination or arising thereafter in respect of outstanding policies of insurance, including but not limited to, return premium and return commissions. Outstanding policies will be permitted to run to expiration.

9. No Rebrokering - Producer shall not act as an underwriter or rebroker (double broker) for any application or policy underwritten pursuant to this Agreement without the express written consent of Company.

10. Hold Harmless - Company and Producer shall indemnify, defend and save harmless each other from any loss, claim, liability, damage and expense (including attorney's fees and expenses of litigation) which each party may incur or suffer by reason of material inaccuracy of any representation or breach of any term, condition, or warranty contained in this Agreement.

11. Arbitration - If any dispute or disagreement shall arise in connection with this Agreement that cannot be resolved by the parties, the matter shall be submitted to arbitration as follows:

- A. Arbitration shall be conducted in accordance with the Georgia Arbitration Code, O.C.G.A. § 9-9-1, et. seq.
- B. The costs of arbitration, and the fees of the arbitrators, shall be shared equally unless the arbitrator decides otherwise.
- C. Arbitration shall be held at the Company's Home Office in Macon, Georgia.

12. General Conditions -

- A. **Future Action.** To the extent that this Agreement calls for any party to take any action or sign any document in the future, such party agrees to take such action or sign such document promptly when it is time to do so.
- B. **Titles and Paragraph Headings.** The titles and paragraph headings used in this Agreement have been inserted for convenience of reading only; such titles and paragraph headings shall not constitute a substantive part of the Agreement itself; to the extent that they are misleading or contradict the body of the Agreement, they shall be void.
- C. **Entire Agreement.** The parties acknowledge and agree that this document represents the entire agreement among them. All prior understandings or agreements between them respecting the subject matter covered in this Agreement, whether written or oral, are hereby superseded by and merged into this single Agreement, except that the Agent shall comply with the Company's underwriting rules and regulations which are incorporated herein.
- D. **Severability.** To the extent that any specific provision of this Agreement is ultimately declared to be unenforceable, for whatever reason, by a court of competent jurisdiction (after appeals have been exhausted), then that provision of the Agreement shall be null and void and shall be severed from the balance of the Agreement, which shall remain in full force and effect.

- E. Gender and Number. In this Agreement, the use of the masculine shall also mean the feminine and neuter and vice versa as the context so requires.
- F. Controlling Law. This Agreement is a Georgia contract being made in Georgia. Accordingly, Georgia law shall control the interpretation and execution of this Agreement.
- G. No Waiver. Inaction or forbearance of a party to take any action permitted under this Agreement against any other party for a breach shall not constitute a waiver of the right to enforce such aggrieved parties' rights at any later time. The breaching party may not raise as a defense to a later action asserting the breach, the defense of waiver, estoppel, laches, mutual temporary disregard of the contract or any similar defense.
- H. Assignment. The rights, duties and obligations conferred upon each party by this Agreement may be assigned or transferred upon the prior express written consent of all other parties to this Agreement, and such consent shall not be unreasonably withheld. If the Agent or the Company properly declines to consent to the assignment, then the termination provisions of this Agreement shall apply.
- I. Agreement Binding on Successors. This Agreement shall be binding on and inure to the benefit of the parties' administrators, executors, heirs at law, legatees under a will, assignees (as permitted under this Agreement) or any other legal successor in interest.
- J. Voluntary Execution. This Agreement has been voluntarily entered into and executed by each party after a full disclosure of the facts and law pertaining to the Trust and the Will. All parties to this Agreement have been fully advised of their rights. Each party to this Agreement is relying upon its own independent counsel for advice regarding any aspect of this Agreement.
- K. Counterparts. This Agreement may be executed in one or more original counterparts, and each counterpart shall constitute an original agreement which may be used by itself to establish the terms of this Agreement without producing or otherwise having to account for any such counterparts.
- L. Any notices required to be given pursuant to this Agreement shall be made to each party as follows:

To the Company

Southern Specialty Underwriters LLC
 5444 Riverside Drive
 Macon, Georgia 31210

To the Agent

Name: _____
 Title: _____
 Address: _____

Producer acknowledges that a breach of any of the terms, conditions, or provisions of this Agreement by the Producer may give rise to a cause of action by Company against the Producer and/or may result in disciplinary action by Company, including but not limited to, the termination of this Agreement, all in the sole discretion of Company. Each individual who executes this Agreement in a representative capacity represents and warrants

that he or she has the full right and power to execute this Agreement and to bind the entity or individuals on whose behalf he or she so signs. If the Producer is an individual, the individual must sign; if the Producer is a partnership, one of the partners must sign; if the Producer is a corporation, an authorized officer must sign and indicate the title of such authorized officer. The parties hereto agree this Agreement shall not become effective until accepted by Company.

PRODUCER _____ WITNESS: _____

BY: _____ DATE: _____

TITLE: _____

(Must be Owner, Partner or Authorized Officer)

Agreement Accepted and Effected by Company:

BY: _____ DATE: _____

TITLE: _____

Please complete, sign and return ORIGINAL AGREEMENT along with the following:

Copy of your INSURANCE LICENSE issued by your state of residence

Copy of your E & O POLICY DEC PAGE.

Completed CONFIDENTIAL PRODUCER PROFILE.

Please check one: Corporation [] Partnership [] Sole Proprietorship []

Federal Tax I.D. Number: _____ (SS Number if Individual)

Surplus Lines License Number: _____ (If applicable)

SOUTHERN SPECIALTY UNDERWRITERS CONFIDENTIAL PRODUCER PROFILE

General Information

Legal Name of Organization _____

DBA (If Different): _____

Current Mailing Address:

Current Street Address:

Telephone Number: _____

Night Number: _____

Fax Number: _____

Watts Line: _____

Web Site: _____

E-Mail Address: _____

Federal I.D. Number: _____

Year Established: _____

Business Entity: (Check One) Corporation _____ **Partnership** _____ **Individual** _____

Premium Volume: _____ **Commercial %** _____ **Personal %** _____

If your agency accounting is conducted at an address other than the above mailing address please provide that address below:

Errors & Omissions Insurance

Carrier: _____

Limits: **Occurrence** _____ **Aggregate** _____

Deductible: _____

Expiration Date: _____

Attach a copy of your current E&O policy dec page.

License Information

State Licensed	License Number	State Licensed	License Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Does your agency hold a Surplus Lines License? _____

If yes, please enter License Number: _____ Expiration Date: _____

Name of individual who holds surplus lines license: _____

Attach a copy of the above licenses.

Agency Personnel

Title	Name	Direct Number	E-Mail
CEO / President	_____	_____	_____
Marketing Director	_____	_____	_____
Umbrella Contact	_____	_____	_____
GL Contact	_____	_____	_____
Property Contact	_____	_____	_____
E&O/D&O Contact	_____	_____	_____

Market Data

List major companies and wholesale brokers in order to premium volume.

Companies	Wholesale Brokers
_____	_____
_____	_____
_____	_____
_____	_____

Prepared By: _____

Date: _____

SOUTHERN SPECIALTY UNDERWRITERS (SSU) PRODUCER APPOINTMENT FORM

APPOINTMENT SECTION

DATE (MM/DD/YYYY)

PROVIDE ALL INFORMATION KNOWN AT THE TIME THE FORM IS COMPLETED	
CARRIER Southern Specialty Underwriters	NAIC CODE 12610

AGENCY INFORMATION	
NAME AND ADDRESS	LICENSING CONTACT:
	CONTACT E-MAIL:

PRODUCER INFORMATION (APPLICANT)							
FULL LEGAL NAME	PREFIX	FIRST NAME	MIDDLE NAME	SURNAME	SUFFIX		
POSITION / TITLE IN AGENCY				BIRTH DATE (MM/DD/YYYY)	SOCIAL SECURITY #		
RESIDENCE ADDRESS (Including County)			BUSINESS PHONE (AC, No, Ext):				
			BUSINESS E-MAIL ADDRESS				
OTHER NAME USED				NAME TYPE (CHECK ONE)			
PREFIX	FIRST NAME	MIDDLE NAME	SURNAME	SUFFIX	ALIAS	MAIDEN	PREVIOUS
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NOTICE OF BACKGROUND CHECK AND FAIR CREDIT REPORTING ACT DISCLOSURE	
<p>This notice is being provided to you by the Company pursuant to the Fair Credit Reporting Act ("FCRA"). As used herein, the "Company" means the identified insurer (the insurer identified on this form) and its subsidiaries, affiliates, officers, employees, agents and representatives.</p> <p>In connection with determining your eligibility for an insurance agent or producer license and/or your eligibility to be appointed or sponsored as an agent of the Company, and to maintain such license and appointment, in one or more states, the Company will from time to time conduct background checks. Such background checks may include the ordering of "consumer reports" from a "consumer reporting agency" containing information on your criminal and credit history. These terms are defined in FCRA.</p> <p>I acknowledge and agree that this Producer Appointment Form does not constitute a contract of any kind. I hereby authorize the Company and its authorized agents to investigate my background, references, character, past employment, education, criminal or policy reports, including those mandated by both public and private organizations and all public records for the purpose of confirming the information contained on this application and/or obtaining other information which may be material to my qualifications for my appointment. I hereby consent to the Company obtaining such information from time to time, as the Company, in its sole discretion, deems necessary. I further consent to the disclosure of the Producer Appointment Form and background information to government or regulatory agencies.</p> <p>I hereby release the Company, its authorized agents and any person or entity which provides information pursuant to this authorization, from any and all liabilities, claims or lawsuits relating to the information obtained from any and all of the above referenced sources, or from the furnishing of the same. This is a continuing authorization.</p> <p>I understand that I am obligated to immediately report any event that changes any of the information, in any manner, which I have provided on this application.</p> <p>I hereby certify that all of the information herein is accurate and complete. Finally, I acknowledge and agree that my appointment will, in part, be based on this Producer Appointment Form and background information, and any falsification, misrepresentation or omission of information from this form may result in the withholding or withdrawal of any offer of appointment or the revocation of appointment by the Company whenever discovered.</p> <p>If a consumer credit report is obtained, I understand that I am entitled to receive a copy. I have indicated below whether I would like a copy.</p> <p style="text-align: center;">YES _____ INITIALS _____ NO _____ INITIALS _____</p> <p>If an investigative consumer report and/or consumer report is processed, I understand that I am entitled to receive a copy. I have indicated below whether I would like a copy.</p> <p style="text-align: center;">YES _____ INITIALS _____ NO _____ INITIALS _____</p>	
PRINT NAME	
SIGNATURE	DATE (MM/DD/YYYY)