

PRODUCER AGREEMENT

This Producer Agreement ("Agreement") is made effective by and between Builders & Tradesmen's Insurance Services, Inc.,

inclusive of its affiliates ("BTIS") and _____ ("Producer")

as of the date _____, _____, _____.
Month Day Year

1. Upon submission of the appropriate application for insurance and such other information required by BTIS or any insurer with whom BTIS is considering placing the insurance requested;
 - a. BTIS may, if it considers it appropriate to do so, provide the Producer with a quote for such insurance.
 - b. Producer acknowledges that the coverage offered in a quote provided by BTIS may vary from those requested on the application submitted by Producer. Producer agrees to review any quote carefully with the applicant. Producer is responsible to disclose all forms, exclusions, warranties, and fees, to its client.
 - c. If the applicant elects to purchase the insurance offered, BTIS will bind coverage as agreed or otherwise procure the insurance if such insurance is still offered on the same terms and conditions by the insurer from whom the quote was obtained.
 - d. BTIS may decline, in its sole and unfettered discretion, to submit the application to any insurer if BTIS considers it inappropriate to do so.
 - e. Producer shall have no right to a submission to any particular insurer, which shall be selected by BTIS.
2. Producer shall act in the exclusive capacity of an insurance producer¹ in its business dealings with BTIS subject to the terms and conditions of this Agreement.
 - a. Producer shall obtain a written disclosure, when required by law, signed by the applicant, indicating that the Producer is transacting on its client's behalf, a description of insurance services that Producer will perform for its client, the amount of all fees that Producer may charge its client, and the compensation Producer may receive for any transaction made pursuant to this Agreement.
 - b. **Producer shall represent only the applicant for insurance. PRODUCER HAS NO AUTHORITY TO BIND ANY COVERAGE, BIND OR SIGN ANY POLICY OR ENDORSEMENT ON NEW OR RENEWAL BUSINESS, OR IN ANY OTHER WAY BIND BTIS OR ANY INSURER FROM WHOM BTIS OBTAINS OR REQUESTS INSURANCE FOR PRODUCER'S CLIENT.**
 - c. **Producer is not an agent or representative of BTIS and has no power to bind or speak for BTIS or incur any obligation on behalf of BTIS. Producer shall not hold itself, herself, or himself out to have any such power or authority.**
 - d. No coverage shall attach or be bound until BTIS has provided Producer with written confirmation.
- e. BTIS has been provided with underwriting rules and requirements by its insurers and is required to comply with all aspects of the insurers' underwriting rules and requirements established by the insurers for BTIS which may act as the insurers' general agent. All insurance information submitted by Producer to BTIS, acting in the capacity of general agent, is subject to BTIS review and approval. Producer represents to BTIS that all insurance information submitted in any electronic or written medium is complete and fully complies with the underwriting rules and requirements provided by BTIS which are necessary to permit BTIS to bind coverage with its insurers. BTIS shall review and will reject any submitted insurance information received by any electronic or written medium from Producer which is contrary to the underwriting rules and requirements of BTIS' insurers. For the purposes of this Agreement, Producer, in addition to Producer services normally rendered to Producer's client, is exclusively limited to collection and transmission of premium or return premium funds and delivery of policies and other documents evidencing insurance coverage.
- f. In the event of cancellation or non-renewal of any policy obtained through BTIS, the Producer shall not represent to the client or any other person that it is authorized to, and will not, accept any premium payment from the client or reinstate coverage without the prior written consent of BTIS.
3. Producer has no authority to, and shall not,
 - a. amend any coverage or provisions under any policy obtained through BTIS;
 - b. release premium indications from any "Price Indicators" without prior written approval by BTIS;
 - c. issue Additional Insured Endorsements on behalf of any insurer that issued a policy through BTIS;
 - d. refer to a certificate holder as, or advise any person or entity that he or it is, an Additional Insured unless an additional insured endorsement has been issued by BTIS and is attached to any such certificate. Producer may issue, and is fully responsible for the accuracy of, evidence of insurance once the additional insured endorsement has been received from BTIS;
 - e. submit an application for insurance for a customer that Producer does not represent.

¹ "Insurance producer" means a person who, for compensation and on behalf of another person, transacts insurance other than life with, but not on behalf of, an insurer. It is the individual or agency dealing directly with the party seeking insurance.

4. In connection with an application for insurance through BTIS, Producer:
 - a. represents and warrants that to the best of Producer's knowledge after a diligent investigation, all information contained on an application and all other information submitted to BTIS is complete and accurate and that no statement is, in the context of the known facts, misleading or only partially truthful;
 - b. shall promptly provide to BTIS all information and documentation necessary to enable BTIS to obtain the requested insurance;
 - c. shall maintain, and, if requested by BTIS, make available or provide to BTIS any and all documentation in Producer's files reflecting the applicant's selection of coverage, limits, deductible, and selection of any other terms or conditions of insurance and any and all statements or documentation indicating insurability, including, but not limited to, accurately completed and signed original applications;
 - d. make sure that the procedures above are understood and followed by all of the Producer's employees responsible for representing any applicant or insured in dealing with BTIS.
5. Producer is an independent insurance producer and not an employee of BTIS. Nothing in this Agreement shall be interpreted as creating an employee/employer, partnership, or joint venture relationship between BTIS and Producer. Producer shall not represent to any person or entity that he or she is an employee, partner, or joint venturer of BTIS,
6. Producer shall be fully responsible to BTIS for all premiums on insurance whether original, renewal, installment, audit or other, on business placed by Producer through BTIS, and BTIS shall not be responsible for premiums advanced by Producer.
 - a. Producer guarantees payment to BTIS of all earned premiums on policies or binders placed through BTIS.
 - b. No binder, policy, certificate or cover note may be cancelled flat after the inception date of coverage.
 - c. Producer assumes full responsibility for the payment of all premiums on binder, policies, certificates or cover notes issued at the request of the Producer.
 - d. BTIS may establish or change at any time procedures for paying premium due on insurance issued through BTIS, including, without limitation, electronic funds transfers or installment payments of premiums.
 - e. Any separate bill provided by BTIS for any insurance shall supersede any itemization provided to the Producer that includes the separately invoiced payment due.
7. Whenever a policy or binder is issued by BTIS, premium shall be deemed to be earned, unless it is returned with evidence satisfactory to BTIS that such policy or binder did not result in a valid and effective policy or contract between the applicant and the insurer.
8. If a policy or policy's premium has been financed by an insured, the Producer, on its, her, or his own behalf and on behalf of the applicant, agrees that the premium financed shall be payable and immediately remitted directly to BTIS.
9. With respect to fees or commissions due to BTIS;
 - a. All such fees or commissions are fully earned upon issuance by BTIS of a binder or confirmation of coverage;
 - b. Producer shall promptly remit to BTIS all fees required for such insurance;
 - c. Producer shall be liable to BTIS for the full amount of premium and applicable state taxes, less commission, on every insurance contract placed through BTIS for Producer. Producer is not responsible to remit premiums due for premium audits or additional premiums due as a result of calculations on retrospectively rated policies if Producer makes all reasonable efforts to collect the premium due but is unable and so informs BTIS within forty-five (45) days of the billing date of the premium audit or retrospective calculation. In the event the Producer turns such premium over to BTIS for collection, the Producer shall receive its commissions under this Agreement only for amounts actually collected by BTIS.
 - d. Producer will collect, account for, and pay premiums due on all insurance ordered from or obtained by Producer through BTIS and submit them to BTIS no later than thirty (30) days after the end of the month for which the accounting is rendered.
 - e. Producer will pay to BTIS all earned premium on each policy placed through BTIS even if Producer does not collect a premium from the policyholder.
10. This agreement shall continue in force without interruption until terminated by either party.
 - a. BTIS may, without prior notice, terminate this Agreement, including the Producer's right to place any new business with BTIS.
 - b. BTIS may, on ten (10) days written notice to Producer, change the commission rate of Producer then currently in effect.
 - c. Producer may terminate this agreement at any time on ten days' written notice to BTIS, setting forth the effective termination date.
 - d. Any amounts due and owing to one party by the other party at the time of termination as a result of business written prior to the effective date of termination will be paid or settled promptly upon such termination.
 - e. Upon termination, Producer agrees to return promptly to BTIS any written materials and supplies furnished by BTIS.
 - f. BTIS may suspend Producer's ability to access the BTIS website and submission systems provided by BTIS. Producer shall have no right of access to the BTIS website and submission systems provided by BTIS after termination of this Agreement.
11. Producer shall, upon request by BTIS, pay or repay to BTIS;
 - a. any taxes payable by BTIS as the result of any contracts of insurance placed with an insurer by BTIS that are not recoverable;
 - b. any unearned commission and any debit balance, however created, which is owed to BTIS;
 - c. any unearned commission and/or debit balance;
 - d. BTIS reserves the right to retain any funds otherwise payable to the Producer at any time at which the Producer is indebted to BTIS.
12. Any extension of credit by Producer to its, her, or his client is solely at Producer's own risk. Producer shall pay to BTIS all amounts due to BTIS whether or not these funds have been collected from the Producer's client or anyone else who owes it.
13. Producer acknowledges and understands that BTIS shall receive commission from the insurer and in some instances may receive other consideration, including, but not limited to, profit sharing payments or contingent commission, where permissible by law.

Builders & Tradesmen's Insurance Services, Inc.

6610 Sierra College Boulevard, Rocklin, California 95677 | License #0D10271
916.772.9200 phone | 916.772.9292 fax | www.btisinc.com



14. In the event of a claim under a policy obtained through BTIS, Producer will:
- report to BTIS any such claim;
 - process the claim on behalf of the insured client;
 - obtain any information from the insured client required by the insurer or BTIS;
 - act as an intermediary in communications between BTIS or the insurer and the insured client with respect to the claim.
15. Producer will maintain Errors and Omissions Insurance coverage at all times with coverage limits of at least \$1,000,000 per claim. Producer shall provide to BTIS proof of the required insurance at the request of BTIS. Producer shall promptly notify BTIS in advance if coverage is discontinued, reduced, materially changed, or cancelled and shall procure from Producer's insurer an obligation to give BTIS prompt written prior notice of any such discontinuation, reduction, amendment or cancellation.
16. Producer represents and warrants that Producer currently holds all licenses necessary to perform the services described in this Agreement from each state in which it does business, has no legal restrictions, by law, agreement or otherwise, prohibiting or restricting Producer's performance under this Agreement, and will:
- maintain all required licenses during the term of this Agreement;
 - promptly notify BTIS within five (5) business days of any suspension, revocation, or other adverse action by any licensing agency with respect to Producer's license;
 - Provide, upon request of BTIS, evidence of compliance with all applicable licensing laws, regulations, or requirements in any state in which Producer does business or resides.
17. This Agreement and Producer's rights hereunder are non-exclusive and do not limit the rights of BTIS to enter into any similar agreements with other Producers or agents at any time. This Agreement contains no guaranty of dollar volume or geographic exclusive location to Producer.
18. BTIS shall indemnify and hold Producer harmless from any and all damages, claims, costs, including reasonable attorney fees, and other liabilities of any nature or kind arising out of, or based on, the performance by BTIS of its obligations hereunder,
19. Producer shall indemnify and hold BTIS and its officers, directors, employees, agents and representatives, harmless from any and all damages, claims, costs, including reasonable attorney fees, and other liabilities of any nature or kind based on, or arising out of, the performance by Producer of its, his, or her obligations hereunder.
20. The parties may communicate with each other by mail, facsimile, or electronically.
21. Producer acknowledges that BTIS has and will have valuable Confidential Information (as defined below).
- Producer will, as a result of this Agreement, have access to, or might otherwise become acquainted with such Confidential Information.
- Producer shall not, directly or indirectly, give, sell, transfer or in any way communicate or divulge to any person or entity, or use for Producer's own benefit or the benefit of any other person or entity (except BTIS) any Confidential Information without the express prior written consent of BTIS.
- c. The term "Confidential Information" means any and all information relating to BTIS not known by, or available in ordinary circumstances to, the public generally including, without limitation, the following:
- passwords;
 - BTIS marketing techniques and materials;
 - the terms of BTIS business relationships with insurers
 - any lists of clients, prospective clients, referral sources and sales agents maintained by BTIS;
 - the terms of business relationships between BTIS and sales agents;
 - premium charges and other terms and conditions for insurance coverage provided through BTIS;
 - BTIS' underwriting practices;
 - technical information concerning BTIS' products and services, including product know-how, formulas, designs, diagrams, rates, software code and design, test results, processes, inventions, research projects and product development, technical memoranda and correspondences, website development and developers;
 - information concerning BTIS' business, including cost information, profits, sales information, accounting and unpublished financial information, business plans, markets and marketing methods, service techniques and methods, insured's lists and insured's information, purchasing techniques, insurance carrier lists and information, program loss data and experience, producer lists and producer information, advertising strategies, training and instruction techniques, opportunities, associations, and processing methods and techniques; and
 - financial information concerning BTIS.
- d. Upon termination of this Agreement, BTIS and Producer agree that, provided the Producer is in compliance with all of the terms and obligations under this Agreement, ownership of the expirations of the policies written pursuant to this Agreement are owned by Producer. BTIS agrees not to interfere with Producer's ownership of such expirations.
22. Any breach of the immediately preceding paragraph (paragraph number 21) will cause irreparable harm for which BTIS will have no plain, speedy or adequate legal remedy, and BTIS shall be entitled to an injunction and temporary restraining order prohibiting such breaches by Producer. Nothing in this Agreement shall be construed as preventing BTIS from pursuing any remedy at law or in equity for any breach or threatened breach.
23. If a conflict regarding an individual account results in the replacement of a producer pursuant to a Broker of Record Letter ("BOR"), the incumbent producer and the new producer of record shall resolve such conflict and provide in writing to BTIS the following:
- The effective date of the change in the producer of record;
 - Provisions for premium collection; and
 - Provisions for the repayment of commissions, including the refund of return commissions.

24. If BTIS is not notified of the resolution of any BOR issues by the incumbent producer and the new producer within ten (10) days, BTIS reserves the right to resolve any issues related to the BOR in its sole discretion, and its decision shall be final and binding upon all parties.
25. The new producer of record pursuant to a BOR shall not be entitled to commission mid-term and will not be designated and/or recognized as the new producer until renewal of any in-force policy or inception of a new policy. If the policy is renewed, the new producer of record shall be entitled to commission as provided by BTIS.
26. The Producer shall comply with BTIS' policies and procedures governing the designation of producers of record.
27. Producer shall not utilize the BTIS name, logo, trademark or other identifying information of BTIS, including any products offered by BTIS, in the conduct of its business without the prior written consent of BTIS. In addition, Producer must attain written permission to use any marketing materials concerning BTIS' products produced by Producer, BTIS, or any other.
28. Any information of any kind about or concerning any client, customer, insured, claimant, or other person that is subject to any state, local, or federal law requiring such information to be kept confidential shall be kept confidential by Producer.
- Producer shall notify BTIS of any such information when and if conveyed to BTIS.
 - Producer shall not disclose any such information to any third person unless authorized by such client, customer, insured, claimant, or other person or compelled by a governmental agency or an order of a court.
 - Producer has or will promptly adopt a privacy policy consistent with applicable federal, state and local laws and the requirements of any insurer with whom BTIS does business.
29. If Producer chooses to use the e-signature feature option provided by BTIS to allow electronic signatures ("the E-Sign Option"), Producer is agreeing to conduct business transactions with electronic documents and signatures instead of paper-based documents and signatures. The term "electronic signature" means an electronic sound, symbol, or process, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record. Producer acknowledges and agrees that BTIS may utilize the services of a third party ("Vendor") to help facilitate the use of the E-Sign Option. Producer is under no obligation to transact business electronically. To withdraw Producer's consent to conduct electronic transactions, simply stop using the E-Sign Option and contact the sending party to explore other options.
30. Producer may read and sign each document on a case-by-case basis. Each decision to view or sign a document electronically does not affect the legal effect of any transactions already completed using either electronic or paper-based documents and signatures. Producer hereby agrees to read every document before electronically signing it. Producer also agrees to communicate all issues regarding the content of a document directly with the sending party. Finally, Producer agrees to notify the sending parties and the Vendor of any change in your e-mail address in order to prevent interruptions to Producer's communications.
31. Producer acknowledges and understands that electronic signatures are legally binding in the United States and other countries. Producer also understands that printed copies of electronic documents are not considered legal originals, but rather copies of the original documents signed via the E-Sign Option. There are no additional fees for printing or exporting electronic documents or signatures and Producer may obtain a paper copy of any document signed via the E-Sign Option by providing a written request to BTIS.
32. Use of the E-Sign Option requires a standards-compliant web-browser which supports the HTTPS protocol, HTML, and cookies. Many documents and communications will include PDF and Word attachments requiring additional software.
33. Electronic signatures are void where prohibited by law. The United States Electronic Signatures in Global and National Commerce Act (the "Act") preserves the legal effect, validity, and enforceability of signatures and contracts relating to electronic transactions and electronic signatures used in the formation of certain electronic contracts. However, as further described in the Act, the Act does not apply to certain contracts and records governed by statutes and regulations such as those related to probate and domestic law matters; state commercial law; consumer law covering utility services, real property defaults and foreclosures, and insurance benefits; product recall notices; and hazardous materials papers.
34. This Agreement or any rights or obligations hereunder may not be assigned or otherwise transferred by Producer, but may be assigned or transferred by BTIS at any time and without prior notice to Producer or Producer's consent. Written notification to Producer of an assignment or transfer by BTIS of its rights hereunder shall, without further act or notice, relieve BTIS of any and all obligations under this Agreement. Any attempted assignment of rights or obligations under this Agreement by Producer shall be void and unenforceable.
35. Any modification or amendment of this Agreement must be in writing and signed by all parties.
36. Any notice required by this Agreement shall be given to the parties at the addresses, telephone or facsimile numbers, or email addresses provided to each other or on their website, advertising literature or business stationery.
37. If any dispute arises involving the interpretation or enforcement of any provision of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees, including court costs and fees, from the other party.

38. This Agreement is the sole agreement between the parties, contains the entire agreement and terms between the parties, and supersedes other agreements related to the subject matter of this Agreement.

39. This Agreement shall be governed according to the laws of the state of California, and Producer agrees to be subject to the personal jurisdiction of courts in the State of California, regardless of the Producer' residence or primary place of business.

40. This Agreement is entered into in the City of Rocklin, County of Placer, State of California which is where BTIS' website is located and maintained. This Agreement shall be performed primarily in the City of Rocklin, County of Placer, State of California.

41. The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

42. If any provision in this Agreement is held to be unreasonable, invalid, void, or unenforceable, then this Agreement will be deemed amended to provide for the modification of the unreasonable, invalid, void, or unenforceable provision to the extent that the court or arbitrator finds reasonable, and the remaining provisions of this Agreement will continue in full force without being impaired or invalidated in any way.

43. The Producer's obligations and the rights of BTIS set forth in this Agreement shall survive termination of this Agreement. The rights and remedies provided for in this Agreement shall be cumulative and not exclusive and shall be in addition to any other remedies which the parties may have under this Agreement or otherwise.

44. This Agreement applies to current in-force policies as of the date hereof and all future policies which may be placed by BTIS for Producer.

We hereby agree to the terms and conditions described above.

Licensed Entity Name - "The Producer"

Signature

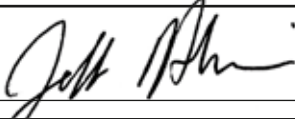
X _____

, as Producer's duly authorized representative.

*Must be an owner, officer, director, partner, or member of Producer.

Producer Mailing Address

Builders & Tradesmen's Insurance Services, Inc.

X  _____

VP Business Development & General Counsel – Jeffrey Hohlbein

Builders & Tradesmen's Insurance Services, Inc.

6610 Sierra College Boulevard, Rocklin, California 95677 | License #0D10271
916.772.9200 phone | 916.772.9292 fax | www.btisinc.com

