PO Box 1040, Santee, SC 29142

Telephone (803) 854-0067 : Fax (877) 544-4776

Email: santeerisk.com
Website: www.santeerisk.com

PRODUCER AGREEMENT

(hereinafter called "the Producer") and Santee Risk Managers LLC of PO Box 1040, Santee, SC 29142-1040 (hereinafter called SRM) agree as follows:

- The Producer warrants and represents that he is currently authorized and properly licensed to do business under the laws of the state or states in which he is located or soliciting insurance business and desires to obtain insurance coverages for his clients using the services and facilities of SRM.
- 2. The Producer acknowledges that he understands the limitations contained in this agreement, and that no insurance submitted for consideration is effective until acceptance by SRM, verification of which is indicated in writing and/or faxed to the Producer from SRM. The Producer is not authorized to bind or cancel any insurance coverage. Producer shall be liable to SRM for any loss paid by SRM, necessitated by the producer's negligence, including, but not limited to, binding coverage or accepting any risk on behalf of SRM without the express authority of SRM.
- 3. This agreement is solely between the Producer and SRM. SRM assumes no responsibility toward any policyholder or sub-producer with regard to the adequacy, amount, or form of any coverage obtained through SRM.
- 4. SRM agrees to pay the Producer commissions on insurance coverages placed by the Producer through SRM in accordance with SRM's applicable scale of commission under the circumstances or as mutually agreed. The Producer shall pay return commissions at the same rate on any return premiums for coverages which are canceled or modified.
- 5. Premiums, net of commissions, received by the Producer for coverages placed through SRM are the property of the Insurer underwriting the coverage and shall be held by the Producer in a fiduciary capacity as trustee for SRM until delivered to SRM for remittance to the Insurer and may not be used by the Producer for any other purpose.
- 6. **ACCOUNTING METHOD**: The Producer agrees to pay SRM Ten (10) days from the invoice date. SRM will provide the Producer with an invoice for each policy, endorsement, or audit premium. The Accounting method can be changed by SRM upon written notice to the Producer. Regardless of payment method, the Producer guarantees the payment of premiums on all coverages placed with SRM. The Producer is responsible for the payment of premiums, whether collected by the Producer from the insured or not.
- 7. The producer agrees to hold harmless and indemnify SRM and their issuing carrier(s) against any and all liability arising out of dishonest, fraudulent or negligent acts, errors or omissions of the producer or any of their employees, agents or brokers; including any penalties due to misrepresentation of licensing by the Producer. SRM agrees to hold harmless and indemnify the producer against all and any liability arising out of dishonest, fraudulent or negligent acts, errors or omissions of SRM or any of their employees, agents or brokers.
- 8. All claims must be reported to SRM. The agent has no authority to adjust, settle, or assign claims.

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- This agreement shall not be assigned without the written consent of SRM.
- 10. The Producer is an independent contractor and is not an employee of SRM.
- 11. SRM acknowledges the Producer's ownership of the insurance business covered by this agreement. The use and control of expirations, and the records thereof, shall remain in the undisputed possession of the Producer.
- 12. This agreement shall apply to all coverages in effect on the date of the execution of the Agreement and to coverages which may thereafter be placed by the Producer through SRM. The Agreement may be terminated by either party at any time on 30 days written notice, but the outstanding rights and obligations of the parties shall not be affected; such notice being deemed to have been received if mailed to the affected party at the business address above.
 - a. All accounts of money due by the Producer to SRM, shall become immediately due and payable upon the termination date, and the Producer shall promptly account for and pay premiums for which he may be liable. In the event of termination of this agreement for a violation by the Producer of any covenant contained herein, all rights of renewals, premiums, and commissions are relinquished to SRM to the extent necessary to satisfy SRM's interest.
- 13. **GUARANTEE AGREEMENT**: In the event the Producer is a corporation, it is understood, agreed and guaranteed by the undersigned individuals, principal stockholders of said corporation, that all conditions of this agreement shall be binding upon them severally and jointly in the same manner as upon the corporation named as Producer. Each party hereto has read and understands each provision herein and as to any provision which may not have been initially understood, competent advice has been sought and obtained by the affected party prior to affixing his signature hereto.
- 14. **ERRORS AND OMISSIONS INSURANCE**: Producer warrants and represents to SRM that Producer now has in force and effect, a valid and binding contract of liability insurance covering Producer for damage occasioned by Errors and Omissions alleged to have been caused by the Producer. Producer further warrants and represents that the premium for said policy has been fully paid and that the Producer should keep such policy, or a similar one thereto, in full force and effect at all times during the continuation of this agreement, in limits of not less than \$1,000,000 per occurrence. SRM warrants and represents to the Producer that SRM now has in force and effect, a valid and binding contract of liability insurance covering SRM for damage occasioned by Errors and Omissions alleged to have been caused by SRM. SRM further warrants and represents that the premium for said policy has been fully paid and that SRM shall keep such policy, or a similar one thereto, in full force and effect at all times during the continuation of this agreement, in limits of not less than \$1,000,000 per occurrence.
- 15. This agreement shall be interpreted and enforced in accordance with the laws of the State of South Carolina.
- 16. The failure of SRM to enforce any of the terms, covenants, and provisions of this agreement, shall not be deemed a waiver thereof.

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17. **ARBITRATION CLAUSE**:

- a. The parties will make every effort to establish a meeting for the purpose of settling unresolved disputes. It is understood that this meeting will be conducted in good faith
- b. If the parties to the agreement are unable to resolve their conflict within fifteen days, the controversy will be resolved by arbitration.
- c. All unresolved disputes with regard to the conditions of the agreement will be decided by a panel of three disinterested arbitrators. The party who desires arbitration will appoint one disinterested arbitrator and will furnish written notice of the appointment to the other party. Within ten days thereafter, the other party will appoint one arbitrator. The two appointed arbitrators will, within fifteen days thereafter, together select a third arbitrator who will be designated as the presiding officer of the panel. If the appointed arbitrators fail or refuse to choose a third arbitrator within thirty days after having been appointed, the third arbitrator will be chosen by a court having jurisdiction over the disputed agreement.
- d. The decision of a majority of the panel will be binding on the parties without right of appeal, and may be enforced by a court having jurisdiction over the agreement in question. The determination of the panel must be in writing and bear the signatures of a majority of the arbitrators.
- e. Expenses of arbitration will be shared on an equal basis by the parties. Arbitrators shall have the right to select one party for a greater amount of the expenses should it be found that the party did not initially offer a good faith effort to resolve the difference on an informal basis.
- 18. **AMENDMENT AND MODIFICATION**: Agreement constitutes the entire agreement among the parties and contains all the agreements among the parties with respect to the subject matter hereof: Agreement supersedes any and all other agreements, either oral or in writing, among the parties hereto with respect to the subject matter hereof;

This agreement has been ex	recuted
	Date
Name of Producer	Signature of Producer (Principal)
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David S Wickerson President