

This producer's agreement (the "Agreement") made this ____ day of _____, 20____ by and between Pro General Insurance Solutions, Inc. (hereinafter called "Pro General") and _____ DBA _____, an insurance agency, (hereinafter called the "Producer") at (city) _____, CA.

Pro General will accept from Producer the submission of applications for insurance which Pro General has authority legally to receive subject to the restrictions placed upon the Producer and Pro General by the laws of the state of California and pursuant to the following terms and conditions agreed to by Pro General and Producer:

1. Producer acknowledges and agrees that it is not a subsidiary of Pro General and it has sole and exclusive control of the conduct of its business. The employees of Producer are not employees of Pro General and Producer and its' employees shall be free to exercise their own judgment as to from whom they shall solicit insurance and the time, place and manner of such solicitation.
2. Producer agrees to promptly forward copies to Pro General of all supporting documentation for applications and endorsements as required per the applicable Underwriting Guidelines, and to promptly remit all funds collected and due Pro General. Producer agrees that undistributed commissions in the hands of Pro General at any time may be applied to and constitute an offset against any funds due Pro General from Producer. Producer agrees that any return commissions due Pro General by reason of any policy cancellations or other reason shall be paid immediately.
3. Producer agrees that any materials furnished by Pro General shall always remain the property of Pro General and shall be returned upon demand.
4. I. Producer has immediate binding authority as follows:
 - a. In regards to applications, coverage will be bound at the exact date and time the application is submitted via one of the approved Pro General submission methods, given that:
 - i. The application is signed, including electronic signature, and dated by the Applicant and Producer, all required waivers and/or exclusions are completed in their entirety and all required supporting documentation has been collected and, if applicable is submitted to the company within three (3) days;
 - ii. The appropriate gross down payment or full payment and all applicable fees are collected and swept from the Producer's trust account at the time of submission; and
 - iii. The risk is not identified/defined as being unacceptable per the underwriting guidelines for the respective program.
 - b. In regards to endorsements, coverage will be bound at the exact date and time the endorsement request is submitted via one of the approved Pro General submission methods, given that:
 - i. All required waivers and/or exclusions are completed in their entirety and all required supporting documentation has been collected and, if applicable is submitted to the company within three (3) days;
 - ii. The risk is not identified/defined as being unacceptable per the underwriting guidelines for the respective program. Endorsements that are unacceptable per the underwriting guidelines will not be bound and will be rejected.
 - c. In regards to payments, coverage will be bound at the exact date and time the required payment is uploaded via our website at www.myprogen.com, subject to acceptability.
- II. The Producer shall have no authority whatsoever to do any of the following:
 - a. Bind coverage outside of the binding authority as detailed above.
 - b. Hold itself out as an employee, partner, equity holder, joint venture of Pro General or any of the insurers for whom Pro General issues insurance policies.
 - c. Alter, modify, waive or change any of the terms, rates or conditions of policies or contracts for insurance either prior to or following the issuance of a policy.
 - d. Correspond or act on behalf of Pro General in any manner, including with respect to state or local governmental bodies, without specific written authorization to do so from Pro General.
 - e. Authorize any claim settlement or bind Pro General in any way with regard to a claim and/or claim settlement.

5. Pro General reserves the right in its sole discretion and without liability to the Producer or the Producer's client, to disapprove or reject any application or binder for insurance submitted to Pro General that is not within the scope of the Producer's binding authority or that is not acceptable as per the respective Underwriting Guidelines and the Producer shall explain this right to and notify its client thereof.
6. The authority of Producer shall be subject at all times to the superior authority of Pro General who may, from time to time, issue instructions to producer or amend this Agreement at any time.
7. Producer has authority to submit applications for insurance covering such classes or risks as Pro General may, from time to time, make available provided that the Producer is currently licensed as required by state law. A copy of Producer's license shall be attached to this Agreement and copies of all current renewals shall be forwarded to Pro General by Producer immediately upon receipt thereof by Producer. This Agreement shall be terminated if any public authority cancels or declines to renew the aforesaid license of Producer. Producer also agrees to receive policy documents electronically.
8. The effective date of coverage on all applications for insurance submitted by Producer is limited to and will be predicated upon electronic delivery of such application in a manner previously approved by Pro General or in lieu of electronic delivery, the day after the U.S. Postal Date shown on the envelope with the application mailed to Pro General. Producer has no binding authority except as stated in 4. I. If the abovementioned procedures are not followed, the effective date of coverage will be the day after the documents are received by Pro General.
9. Producer agrees that each application submitted to Pro General must be accompanied by gross payment for the policy term or the appropriate down payment. All policies will be Direct Billed by Pro General and outside premium financing is expressly prohibited. Pro General will pay the Producer commissions on a percentage of paid premiums ("paid as paid") in accordance with the commission schedule unless mutually agreed by Pro General and Producer.
10. This agreement may be terminated by either party upon providing thirty (30) days written notice to the other party (or applicable state laws) or effective immediately by Pro General for cause upon providing written notice to the Producer. Cause may include, but is not limited to, breach of this agreement, fraud, forgery, misrepresentations or a conviction of a felony.
11. This agreement will terminate automatically: on the effective date of any sale, transfer or merger of the Producer's interests therein unless Pro General consents in writing; upon the cancellation or non-renewal of the Producer's license; and upon Pro General's election not to write insurance for this line in the state in which the Producer is authorized to write under this Agreement.
12. The Producer shall remit the full gross premium deposit on all policies of insurance submitted to Pro General. If Producer fails to submit the correct premium as described above, the purported binder issued by Producer shall be deemed null and void and of no force or effect whatsoever.
13. Pro General will render statements to the Producer monthly. If the balance is a credit, Pro General agrees to pay producer forthwith. If the balance is a debit, Producer agrees to pay Pro General within ten (10) days following receipt of the statement.
14. The Producer agrees to hold Pro General harmless and defend and indemnify Pro General against any and all loss, expenses, costs or liability resulting from any unauthorized acts, improper transactions, errors or omissions by the Producer or any other person engaged by Producer or acting on behalf of Producer.
15. Producer understands and agrees not to extend authority provided under this Agreement and to represent Pro General to any other agency, agent, broker, solicitor or sub-agent. Any engagement of a party described in this provision will result in immediate termination of this Agreement.
16. Producer shall purchase and maintain a policy of errors and omissions (E and O) insurance with an insurance carrier which is rated no less than "A" by A.M. Best and a minimum limit of liability of \$500,000 per claim. Producer will provide Pro General with a copy of the declarations page for said policy, and upon each renewal of said policy. Producer agrees to notice company

of any changes to (E and O) and that failure on the part of Producer to maintain said E and O policy will be grounds for termination of this Agreement.

- 17. Should Producer fail to pay Pro General any premium when due, the Producer agrees to bear any collection or other expense, including reasonable attorney's fees and costs, expended by Pro General to enforce collection from Producer.
- 18. Ownership of Expirations: Upon termination of this agreement by either party hereto, if Producer's account is not then delinquent and if Producer shall thereafter remit to Pro General within fifteen (15) days from the end of the month in which business is charged to Producer, all monies due Pro General, the Producer's records, use and control of expiration shall be deemed the property of Producer; otherwise the records, use and control of expirations shall be vested in Pro General.
- 19. In the event a dispute arises between the parties hereto arising out of or relating to this Agreement, and said dispute cannot be amiably resolved, the parties will submit the dispute to Arbitration pursuant to the provisions of the American Arbitration Association. Failure or forbearance of Pro General to exercise any of its rights and privileges hereunder shall not constitute the forfeiture of such rights and privileges on the part of Pro General. Producer shall have no right, claim or cause against the carrier in which Pro General represents. Producer shall look exclusively to Pro General for any action taken or not taken by the carrier or Pro General.
- 20. Partial Invalidity: If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which is held invalid or unenforceable shall not be affected thereby and all other terms, covenants and conditions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 21. This written Agreement contains the complete understanding between Pro General and the Producer and supersedes all previous agreements between them. This Agreement may only be altered or amended by a written Addendum, initiated by Pro General.

PRODUCTS OFFERED BY PRO GENERAL MAY HAVE REDUCTIONS/RESTRICTIONS IN COVERAGE IN EXCHANGE FOR A REDUCTION IN PREMIUM. THE PRODUCER HEREBY AGREES TO EXPLAIN THE COVERAGE REDCUTIONS/RESTRICTIONS TO THE APPLICANT/INSURED.

Producer Appointment and Commission Schedule:

Commission will be paid on a paid premium basis. Pro General reserves the right to alter commission rates upon thirty (30) days written notice to producer.

CA Private Passenger Auto

12% New Business 10% Renewals

IN WITNESS WHEREOF

"Producer" Name: _____
Signature: _____
Title: _____
Address: _____

Pro General Insurance Solutions, Inc.
Signature: _____
Title: _____
P.O. Box 12150, La Crescenta, CA 91224
www.progeneralinsurance.com
CA LIC# 0178939; FL LIC# W171584