



Noble General Agency LLC

PRODUCER AGREEMENT

This agreement is entered into by **Noble General Agency, LLC**, (hereinafter referred to as "General Agent") and _____ (hereinafter referred to as "Producer").

Whereas Producer desires to obtain insurance coverage for its clients (hereinafter referred to as "Applicants" and/or "Insured's") provided under insurance programs available from insurance companies (hereinafter called "Insurers") represented by General Agent, and whereas General Agent desires to place insurance on Insured's that meet the qualifications of one of the aforementioned insurance programs; now, therefore, Producer and General Agent agree as follows:

I. **Appointment**

Scope of Producer's Authority under This Appointment: General Agent authorizes Producer to submit applications and premiums in accordance with the applicable underwriting guide for insurance on the types of risks and lines of insurance (hereinafter referred to as "Programs") specified by General Agent and as set forth in the Producer's Program Appointment(s) that are made a part of this Agreement. Producer does not have authority to bind Insurer or General Agent to any contract of insurance unless such authority is specifically granted to Producer under the particular Program Appointment(s). Once a risk is bound, Producer shall professionally handle any changes or other requests related to the Applicant's policy in accordance with General Agent's written procedures provided in advance to Producer, and as amended from time to time at the sole discretion of General Agent. Producer understands that:

1. Producer shall not bind or otherwise submit applications to General Agent for quoting or binding if such business was produced by independent producers (or sub-producers) without the prior written permission of General Agent, except where Producer is authorized by General Agent to serve in the capacity of a wholesale Producer.
2. Producer shall have no authority to waive any term or condition of any insurance policy. Producer shall have no authority to accept service of any lawsuit or process on behalf of General Agent or any Insurer, nor shall it authorize any claim settlement, or bind General Agent or any Insurer in any claim matter.
3. Producer shall not use the name of General Agent or that of any of its' Insurers in any advertisement, publication, circular or paper without first obtaining written consent from General Agent.

- B. Modification Of Appointment & Producer's Authority Under This Agreement: General Agent may, at its sole discretion, modify this Agreement at any time subsequent to its execution by providing at least 30 days advance notice to Producer, except such advance notice is not required where the modification is by mutual agreement or where one or more Program Appointments are terminated in their entirety; a moratorium is placed on writing new business for the Program(s) by the Insurer, and/or; binding authority is suspended pursuant to section XI of this Agreement. Such modification may include, but is not limited to (1) appointment of Producer to additional Programs; (2) modification of Producer's appointment and authority under any Program(s); (3) modification of Producer's commission for new or renewal policies of insurance to be written under any Program Appointment(s); (4) extension or revocation of binding authority under any Program Appointment(s). Such modification shall be made by sending written notice to Producer via facsimile or U.S. mail at the address provided in this Agreement, or to Producer's last known

address. Producer's acceptance of the modification(s) of a current or additional Program Appointment, including any and all conditions, restrictions, commission rate(s), underwriting guidelines, requirements and limitations specific to the Program, shall be conclusively established when Producer, subsequent to receipt of notification of the modification from General Agent, submits one or more applications for insurance to General Agent for placement of Insureds in the Program(s) so modified. Where Producer's appointment to one or more Programs is terminated, Producer will immediately discontinue solicitation of new business and shall not submit applications to place business in said Program(s).

- C. Conditions for Application Submission: By submitting applications for insurance under any Program Appointment, Producer agrees to comply with all conditions, underwriting guidelines, restrictions, requirements and limitations applicable to all Program Appointments under this Agreement.
- D. Procedure for Submission of Binding Requests to General Agent: Producer shall follow the procedure for binding coverage as described in the applicable Program Appointment and General Agent's then current Underwriting and Rate Guide. Any extension of coverage by Producer not in accordance with such procedures may result in General Agent seeking reimbursement from Producer for any loss or claim arising from such improperly bound risk.
- E. Multiple/Programs: Producer acknowledges that in cases where multiple or group programs are offered by the same insurer in the same state for the same line of business, producer will offer the lowest priced policy available for a client or prospective client or will refer the client to the insurer's web-site or toll-free access line where the client can obtain the lowest priced policy available.

II. Compensation

- A. As full and complete compensation due Producer under this Agreement, General Agent shall pay Producer, as commission, a percentage of the collected premium received by General Agent for policies produced under this Agreement by Producer (excluding all fees charged by Insurer or General Agent) on each policy produced and paid for under this Agreement at the rate stipulated by General Agent. Producer shall be liable for returning commissions (at the same rate as they were paid) on all return premiums, including return premiums arising from policy cancellations. It is expressly acknowledged that Producer may charge the Insured a broker's fee where permitted by law in addition to the compensation due Producer under this Agreement.

III. Collection and Distribution of Funds

- A. Producer agrees to promptly pay General Agent for the down payment on all policies bound in accordance with the Program Appointment and each Program(s) premium payment guidelines and General Agent's credit and collection policies.
- B. All premiums received by Producer will be promptly remitted to General Agent without deduction for commissions in accordance with each Program(s) premium payment guidelines.

IV. Licensing

Producer is solely responsible for securing and maintaining all licenses required by any state law, rule, regulation, or administrative authority prior to engaging in any of the transactions contemplated by Producer and General Agent under this Agreement. On an annual basis, Producer further agrees to provide General Agent with a copy of their then-current license for each jurisdiction in which Producer transacts insurance and for which Producer has received a Program Appointment.

V. Professional Liability Insurance

Producer agrees to purchase and maintain (until the last policy written under this Agreement expires) a professional liability insurance policy with liability limits in amounts no less than the amounts specified by General Agent pursuant to the specific requirements of a Program Appointment. Producer shall furnish General Agent certificates of insurance evidencing such coverage, which

shall be insured by an insurer acceptable to the General Agent, provided said acceptance shall not be unreasonably withheld.

VI. Ownership of Expirations

If Producer has accounted for and paid all premiums and other sums for which Producer may be liable to General Agent in accordance with the terms of this Agreement and is not otherwise in default of this Agreement, Producer's records and use and control of expirations shall remain Producer's property and be left in Producer's undisputed possession. If Producer has not paid or provided acceptable collateral or security for undisputed amounts owed by Producer to General Agent within thirty days (30) following the termination of this Agreement, then ownership of the records and the use and control of only such minimum expirations as are necessary to satisfy the debt shall vest exclusively with General Agent until the undisputed debt shall have been satisfied. Producer shall be entitled to receive the prevailing rate of commission in effect for renewal premiums for each Program Producer has been appointed to immediately prior to termination.

VII. Indemnification

- A. General Agent agrees to jointly and severally indemnify, defend and hold harmless Producer against any and all claims, demands, losses, expenses, liabilities and damages of whatever nature, including interest, penalties and attorney fees (collectively herein, "Costs") Producer shall incur, which result from, arise out of, or relate to any dispute, including allegations of negligence or unlawful conduct, on the part of General Agent and its affiliates arising under this Agreement.
- B. Producer agrees to jointly and severally indemnify, defend and hold harmless General Agent, its Insurer(s), claims administrators, and servicing companies (hereinafter referred to as "its affiliates") against any and all costs General Agent and its affiliates shall incur, which result from, arise out of, or relate to Producer's duties, obligations, or performance under this Agreement, or relate to any dispute, including allegations of negligence or other unlawful conduct including violation of insurance laws alleged by any governmental authority, including but not limited to, the state Department of Insurance having jurisdiction thereof, or consumer protection and privacy laws (including, but not limited to, the Fair Credit Reporting Act) on the part of Producer and its agents, employees, or representatives.
- C. Each party to this Agreement shall promptly notify the other party of the existence of any claim, demand, assessment, allegation of negligence or any other matter as to which the obligation to indemnify hereunder would apply, and shall give the indemnifying party reasonable opportunity to defend the same at their own expense with mutually agreeable counsel. Either party and/or its affiliates shall at all times have the right to fully participate in such defense at their own expense. If, within a reasonable time after such notice, the party to whom a request for indemnity is made thereafter fails or refuses to defend, the party seeking indemnification shall have the right, but not the obligation, to undertake the defense of, and to conclusively compromise or settle the claim or other matter on behalf of, or for the account and at the risk of, the party refusing to defend and/or indemnify.
- D. By signing this Agreement, Producer acknowledges that it has been informed that various Insurers with whom General Agent does business require the following language to be placed in all Producer Agreements, and thereby prohibits Producer from suing the Insurer directly under this agreement:

"Producer shall have no right, claim or cause of action against any Insurer, and shall look exclusively to the General Agent for the payment or satisfaction of any expenses, costs, claims and/or causes of action arising directly or indirectly out of, or relating to, any action taken or not taken by the Insurer or the General Agent."

- E. Producer agrees to waive its right to proceed directly against any Insurer in accordance with the terms and conditions quoted above in each instance where the Insurer requires Producer to waive said rights in the agreement between General Agent and Insurer, provided, however, that General Agent represents that it will fully indemnify, hold harmless, and protect Producer for all such

rights, expenses, costs, claims, or causes of action that would otherwise be brought against any Insurer.

VIII. Right to Audit

Upon receipt of a written request by General Agent, Producer agrees to allow General Agent or its authorized representative to conduct an audit at Producer's place of business and permit copying of Producer's business records relating to premiums received from insured(s), the insured's name, address, telephone number, additional insured information, correspondence, any contracts entered into with third parties and such other information as it relates to all program appointments of Producer in effect at any time under this Agreement. The audit shall take place during normal business hours solely to confirm Producer's performance under this Agreement. General Agent agrees not to make use of any information acquired in such audit in any manner otherwise prohibited by law or this Agreement. General Agent shall bear the expense of such audit. Written notice shall be provided to Producer by General Agent at least 5 business days prior to the audit.

IX. Independent Contractor

It is agreed that Producer acts as his own contractor in procuring insurance for Applicants obtained from Insurers represented by General Agent. Producer shall manage his or her own time and nothing in this agreement is meant to create the relationship of employer/employee, partnership or joint venture between General Agent and Producer. General Agent will not be responsible for Producer's expenses.

X. Claims

Producer agrees to cooperate fully with General Agent, Insurers, their affiliates or authorized third party administrators to facilitate the investigation and adjustment of any claim. Where Producer receives an actual or constructive Notice of Claim, as that term is commonly understood and utilized in the applicable claims handling statutes or regulations, Producer agrees to promptly notify General Agent or Insurer's claim adjusting company of the same by adhering to the instructions provided upon each Program Appointment. Producer agrees that it will at no time insert itself into the claim adjustment process or cause any delay in the claim notification process.

XI. Contract Termination & Suspension of Authority

- A. If General Agent has reasonable cause to believe that Producer is in violation of this Agreement, General Agent may immediately suspend Producer's binding authority (if binding authority has been given to Producer under one or more Program Appointments) pending investigation by providing written notice to Producer of such suspension.
- B. This Agreement may be canceled at any time in by either party providing the party terminating the agreement shall provide written notice of termination to the other party. Effective immediately upon providing notice of termination, (1) Producer's authority to bind new business with General Agent is revoked for all Program Appointments (if binding authority has been given to Producer under one or more Program Appointments); (2) General Agent agrees to renew policies then in force with Producer at the time of termination for a period of 30 days thereafter, or for a longer period of time if required by law, provided that said policies have not expired, been cancelled, or have been placed with a different insurer at the time for renewal. It is further agreed that the commissions or return commissions will be paid by the responsible party on additional premium collected, or on return premiums made, after termination of this Agreement.
- C. If the law requires General Agent to notify Applicant of its intent not to renew any policy of insurance issued pursuant to this Agreement, General Agent will give Applicant the required notice. If the law gives certain renewal rights, the General Agent will notify Applicant of them.

XII. Assignment

Producer may not assign this Agreement without prior written consent of General Agent. Any change in majority control or majority ownership of Producer shall be deemed an assignment event. Any assignment made without General Agent's written consent may, at General Agent's option, terminate this Agreement.

XIII. Arbitration & Good Faith Dispute Resolution

- A. The parties will attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Agreement. Either party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. The recipient of such notice will respond in writing within ten days with a statement of its position on the dispute. If the dispute is not resolved by this exchange of correspondence, then representatives of each party with full settlement authority will meet at a mutually agreeable time and place within 20 days of the date of the initial notice in order to exchange relevant information and perspectives, and to attempt to resolve the dispute. If the dispute is not resolved by these negotiations, the matter may, with the prior written consent of both parties hereto, be submitted to JAMS/Endispute for mediation and/or binding arbitration.
- B. In the event of binding arbitration or litigation to interpret the terms of, or otherwise enforce this Agreement or any provision thereof, the prevailing party, in addition to other relief awarded, shall be entitled to recover from the non-prevailing party all costs and expenses thereof including, without limitation, reasonable attorney fees incurred by the prevailing party which shall be determined and fixed by the arbitrator or court as part of the decision or judgment. Such fees, costs and expenses shall include expenses incurred on any appeal and for collecting on or enforcing any such decision or judgment.

XIV. Miscellaneous Provisions

- A. All supplies, products, trademarks, logos, software, other intellectual property or other proprietary information furnished to Producer and belonging to General Agent shall remain the property of General Agent and shall be returned to General Agent promptly upon demand or upon termination of this Agreement.
- B. If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.
- C. The waiver by one party of any breach of this Agreement by the other party will not be deemed a waiver of any subsequent breach, a waiver of the particular provision breached, or a waiver of any other provision of this Agreement.
- D. This Agreement, together with any exhibits and attachments hereto, embodies the complete and entire agreement between the parties, and replaces any previous Agreement(s). No other representations, understandings or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth or referred to herein.
- E. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to the choice of law provisions thereof. The parties hereto hereby consent to the exclusive jurisdiction and venue of the United States District Court for the Northern District of Texas or the applicable state court of Burnet County for any action that may be brought relating to this Agreement.
- F. Each party agrees to accept all written notifications under this Agreement by facsimile in lieu of U.S. mail and shall keep the other party apprised of its then current facsimile number.

This agreement is entered into by Noble General Agency, LLC and _____ (enter agents name) representing _____ (enter agency name). This agreement shall become effective at 12:01 a.m. central time on _____ (date).

I, _____ agree to the terms and conditions of the producer agreement provided by Noble General Agency, LLC. I also agree that I was provided a copy of the agreement and understand my responsibility as a Producer. I represent and warrant that the statements made in the submitted application are true to the best of my knowledge and that I am fully authorized to sign this application of behalf of _____.

Commission

The agreed commission percentages are as follows: (**filled out by MGA only**)

NGAL _____ %New _____ %Renewal
NGAS _____ %New _____ %Renewal (Rate locked for all agents)

Approved By: _____

PRODUCER:

Producer Representative _____ Title _____

Signature _____ Date _____

NOBLE REPRESENTATIVE:

Noble Representative _____ Title _____

Signature _____ Date _____

Initials _____