

## **COMMERCIAL PRODUCER AGREEMENT**

This agreement is entered into by and between King Support Systems Insurance Services, Program Administrator (MB) and \_\_\_\_\_ with its principal office located in: \_\_\_\_\_ CA.

Whereas the Producer desires to offer insurance applications MB and MB desires to accept such proposals; now therefore the Producer and MB agree to be bound by the following term:



Phone:

**800-488-4096**

Fax:

**949-488-2259**

[www.kinginsuranceca.com](http://www.kinginsuranceca.com)

Lic#OB91471

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### **Appointment and Authority**

1. MB authorizes Producer to accept applications and/or premium for insurance on the types and classes of risks permitted by the MB.
  - A. The producer agrees to adhere to all underwriting and rating rules of the MB. The Producer shall be liable to the MB for any loss suffered by the MB where the Producer binds a risk beyond the Company's authority.
  - B. The Producer has no authority to bind the Company on any risk unless or until the company or its Authorized Representative has agreed to accept such risk and provides written authorization of same.
  - C. No binder or policy shall become effective unless the Company has agreed to accept and bind such risk.
  - D. Applications cannot be effective unless mailed or transmitted via Fax and/or email to the MB within 72 hours.
  - E. Should funds remitted for the payment of premium be returned as non-negotiable after the bound effective date of the policy, and for any reason the policy shall be considered rescinded and the minimum fully earned policy fee shall become the responsibility of the Producer. Any such fees shall be deducted for the Producer's commission.
  - F. Producer agrees that Errors and Omissions coverage shall remain in force during the term of this agreement. Evidence of this coverage shall be provided on an annual basis. Policy limits shall be no less than \$1 mil with a company maintaining a minimum rating with A.M Best of no less than "A-" VIII with A.M. Best.
2. Licensing: The Producer shall have prior written approval from and shall at all time during this agreement be validly licensed by the state in which insurance applies to transact insurance as contemplated by this agreement for the respective classes of business authorized in this agreement. Any action taken by the Producer to bind coverage prior to such licensing shall be avoidable at the election of the MB. The Producer further indemnifies MB against any and all loss or liability resulting from the acts of Producer in violation of any state licensing provisions.
3. All coverage's bound by the Producer must be in accordance with established procedures that have been agreed upon by the parties. Any exception to the binding authority must be agreed to and in writing between the Producer and the MB in advance.
4. No bind or policy shall become effective until it has been properly completed according to all procedural and underwriting guidelines and the proper premium has been collected.
5. It is agreed upon that the Producer shall have no authority to waive any term or return commission at the same rate on any premiums, including return premiums on cancellations processed by the MB or Company.
6. The MB expressly recognizes the ownership interest of the Producer of the insurance business covered by this agreement; however, in the event it is necessary for the MB to cancel this agreement for willful violation of any term and conditions of the agreement by the Producer, the Producer agrees to relinquish all rights or claim to subsequent commissions until any and all monies owed MB are repaid in full.

7. Producer acts as an independent contractor in soliciting insurance for MB. Producer shall manage his own time and nothing in this agreement is meant to create the relationship of employer/employee between the MB and the producer. MB shall in no way be responsible for the producer's expense. Nothing in this agreement shall be construed as limiting and restricting the right of the MB to cancel any policy or policies or contracts of insurance issued under this agreement.

8. The Producer shall not insert any advertisements representing the MB in any publication or issue any circular or paper referring to the MB without the consent of the MB first obtained in writing.

9. The Producer agrees to cooperate fully with the MB to facilitate the investigation and adjustment of any claim when requested by the MB and under any such rules and regulations as may be agreed upon from time to time.

10. This agreement may be cancelled at any time, by either of the parties, by the giving of written notice to the other. It is agreed that any return premium owed or commission due will continue to be repaid, even if this agreement has been canceled.

11. The MB has the right to terminate this agreement automatically when any public authority cancels or refuses to renew the Producer's license or if the Producer files for any of the provisions of the Federal Bankruptcy provisions or becomes insolvent. This agreement may automatically

terminate when the Producer makes any fraudulent or willful misrepresentations to the MB or any policyholder, or if the Producer does not pay any monies owed as provided for in this agreement, all records, title to policies and renewal commissions shall become property of the MB to be used as an offset until such sums have been paid in full.

12. The Producer may not assign this agreement.

13. If any part of this agreement differs from the law or insurance regulation of the state in which this agreement is to be performed, and is not upheld, the remaining parts will still continue to be in full force and effect.

14. This agreement is made in good faith and supersedes all previous agreements, whether written or oral, between the MB and the Producer.

15. Any dispute between the parties of this agreement, if not resolved, must be settled by submitting to arbitration. Each party shall bear equally such costs of arbitration.

16. In the event that suit is commenced, the prevailing party in the litigation shall be entitled to collect reasonable money's fees and associated cost of such lawsuit.

17. This agreement shall be constructed under the laws of the State of California.

The MB and the Broker have caused this agreement to be executed this \_\_\_\_\_ day of \_\_\_\_\_ Year \_\_\_\_\_

BY: \_\_\_\_\_  
**Managing Broker**

Date: \_\_\_\_\_

BY: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Fed. Tax ID#: \_\_\_\_\_ Agency License#: \_\_\_\_\_

E & O License #: \_\_\_\_\_ E-mail Address: \_\_\_\_\_