

PRODUCER'S AGREEMENT

This agreement, made and entered into this _____ day of _____, 20____ by and Between LIBERTY EXCESS & SURPLUS, INC. of Newtown Square, PA and _____ of _____ hereinafter referred to as BROKER.

WHEREAS, Broker warrants that he holds a Brokers License issued by the State of Pennsylvania, and intends to place business through Liberty for acceptance by admitted carriers and /or non-admitted carriers, in compliance with the laws and regulations pertaining thereto regarding the placement of business with admitted and/or non-admitted carriers.

WHEREAS, Liberty agrees to allow Broker a commission on such business, in accordance with Liberty's usual scale of commissions applicable under the circumstances and as may be agreed upon from time to time.

Broker agrees to refund to Liberty commissions on all business placed with Liberty on cancelled policies or reduced premiums at the same rate at which such commissions were originally allowed Broker.

Upon binding coverage a 30% Deposit Plus Tax and Fee is required along with the appropriate completed and signed original application.

It is further agreed by and between the parties that payment of premiums shall be made by Broker not later than 25 days after the effective date of the coverage or less if stipulated in the terms of the quote.

And that further, any credit extended by Broker to the assured or any other, to whom policies are being issued, shall be at Broker's sole risk and premiums shall be paid to Liberty by Broker when due, whether or not they are collected by Broker.

The parties hereto further agree that anything to the contrary notwithstanding, in the case of insurance policies which have been issued and the full premium for said insurance policies cannot be determined in advance and where an adjustment of determination by audit or otherwise which have been made then the payment of such additional premium due shall be paid by Broker to Liberty within twenty (20) days after such additional amount shall have been determined and billed to the Broker unless the audit shall be uncollectible. If Broker shall advise in writing that an audit is uncollectible within twenty (20) days after invoiced then the audit may be returned to the company or direct collection. If an item is returned for direct collection, it is understood that no commission will be allowed to the broker for this item if collected by the carrier directly from the insured. If however, Liberty is not advised in writing of any problems in collecting additional premiums due then the Broker will be responsible for additional premiums due.

The parties hereto further agree that unless otherwise specifically agreed, in writing, it is understood that this agreement does not permit Broker to bind Liberty or any Company or Underwriters represented by Liberty.

The Broker agrees to indemnify and hold Liberty Excess & Surplus, Inc. and the insurers harmless for any damages resulting directly or indirectly from any violations of any insurance laws, insurance department regulation or breach of Broker's obligations under this agreement.

Liberty Excess & Surplus, Inc. agrees to indemnify and hold Broker harmless for damages sustained by policyholders and caused by acts or omissions of Liberty Excess & Surplus, Inc. provided the Broker has not caused or contributed to such damages by any act or omission.

The parties hereto further agree that the insurance issued by Liberty on behalf of Broker to assureds, is not subject to flat cancellation and that further, short rate cancellation will be permitted in most cases. It is further agreed that cancellations, at the request of the Underwriters or Companies, will be on a pro-rata basis.

This agreement shall be interpreted and constructed in accordance with the laws of the State of Pennsylvania.

This agreement may not be changed or modified unless in writing and signed by the parties hereto.

It is further agreed by the parties hereto that this Agreement shall become effective when accepted by Liberty and supersedes all previous agreements, whether oral or written, and these arrangements may be terminated by either party upon ten (10) days written notice to the other party sent by Registered or Certified Mail, Return Receipt Requested. Such termination, however, shall in no event effect the respective rights or liabilities of either party accruing up to the date of termination.

In WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year written below.

SIGNED on this _____ day of _____, 20_____.

WITNESS: _____ BY: _____

TITLE: _____

(PLEASE ATTACH COPY OF YOUR BROKER'S LICENSE)

BROKER'S LICENSE NUMBER: _____ EMPLOYER'S ID OR SS #: _____.

AGREEMENT ACCEPTED AND EFFECTIVE AT NEWTOWN SQUARE, PA THIS

_____ **DAY OF** _____, **20**_____.

WITNESS: _____ **BY:** _____

TITLE: _____

Return to: LIBERTY EXCESS & SURPLUS, INC.
8 SMEDLEY LANE
NEWTOWN SQUARE, PA 19073