



PRODUCER AGREEMENT

THIS PRODUCER AGREEMENT is made and entered into between _____ ("Producer") and **ESP INSURANCE BROKERAGE, LLC** or **SHEL RISK PURCHASING GROUP ASSOCIATION** (collectively, "ESP").

WHEREAS, Producer is a duly licensed agent or broker in compliance with all applicable laws in the jurisdiction(s) in which Producer is doing business; and

WHEREAS, Producer desires to place insurance business with insurers through ESP; and

WHEREAS, ESP is willing to do so, but only upon the terms and condition set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Ownership of Business. Producer is the owner of the insurance business subject to this Agreement. Producer is acting as a broker for applicants and on the applicant's behalf, not as an agent of ESP. Nothing contained herein shall require, or be construed to require, that ESP accept any insurance business tendered by Producer, and any business tendered by Producer hereunder shall be expressly subject to approval and acceptance by ESP in its sole discretion.

2. No Binding Authority, Advertisement or Expressed Representation. Producer has no authority to act on ESP's behalf except as expressly provided in this Agreement. Producer does not have authority to bind policies or certificates of

insurance without express written consent of ESP. Producer shall not place any advertisement referencing ESP or any insurance company represented by ESP without prior written consent from ESP. In case of unauthorized action by Producer, the Producer shall pay all costs and damages arising therefrom.

3. Premium Remittance.

(a) In consideration of the acceptance of insurance business from the Producer, Producer will pay to ESP the balance due on all policies, endorsements, binders, certificates, and/or other balances including insurance audit related balances arranged by ESP. Producer will remit payment to ESP within 21 days of the date of invoice or the effective date of coverage, whichever last occurs. Producer shall remit all premiums and taxes earned on insurance contracts arranged by ESP regardless of the collectability or collection status of the account by the Producer. All payments shall be mailed to ESP Insurance Brokerage, LLC, 306 Main Street, Worcester, MA 01608. Premium remittance provided by third party loan entities (Premium Financing Companies) are acceptable.

(b) ESP shall be entitled to reimbursement covering cost of collections, including but not limited to reasonable attorney's fees, incurred in efforts to collect unpaid premiums. ESP is also entitled to reimbursement of any penalties levied by any governmental agency or regulatory authority due to failure of the Producer to remit proper taxes and/or fees.

4. Compliance with Any and All State Laws.

(a) Producer warrants that it carries all required state accident, health, property, casualty, surplus lines, or any other required state license(s) for any account placed with ESP. Producer must provide proof of licensure to ESP upon ESP's request. Producer must immediately notify ESP of any termination, revocation, suspension or any other action by a Department of Insurance or any other governmental agency affecting licenses required to perform services under this Agreement.

(b) Producer is responsible for any required statutory surplus lines notice to policyholders, collection of surplus lines taxes and/or state stamping fees, and remittance of surplus lines taxes and stamping fees to proper regulatory authorities.

5. Commissions. ESP shall allow the Producer, as a commission, a percentage of the premium on each policy written and paid for under this Agreement at a rate mutually agreed upon by Producer and ESP. The Producer shall be obligated to pay return commission at the same rate on any return premiums due the insured. All premiums payable will be paid net of Producer commission.

6. ESP Fees. ESP may, at its discretion, charge broker fees as permitted by law. These fees will be disclosed when charged. These fees are not premiums and are separately charges from any insurance premiums. All fees are not subject to Producer's commissions and are non-refundable once collected.

7. Claims. Producer shall immediately notify ESP of all claims, suits and notices of loss and shall fully cooperate with ESP and any applicable carrier with respect to any investigation, defense, settlement and/or adjustment in connection with any claim, suit or loss.

8. Indemnity, Defense and Hold Harmless. The Producer shall indemnify, defend and hold ESP harmless against any claims, liabilities or costs (including reasonable attorneys' fees and expenses) which ESP may pay as a result of loss to an insured or otherwise arising from or in connection with this Agreement, caused by or in any way relating to the acts or omissions of the Producer.

9. Certificates of Insurance. Certificates of Insurance issued by ESP will indicate Producer's name and address.

10. Errors and Omissions. Producer verifies that Errors and Omissions coverage with at least a \$1,000,000 per Occurrence limit of liability exists and is in good standing. Evidence of such coverage may be requested from time to time by ESP. ESP may, in its discretion on a case-by-case basis, allow Producer to produce other limits acceptable to ESP.

11. Termination of Agreement. This Agreement may be cancelled at any time by either party upon written (including email) notice to the other.

12. Audit. ESP shall have access at reasonable times and with reasonable notice to Producer's books, records, and accounts for the purpose of determining any facts related to the business covered by this Agreement.

13. Entire Agreement. This Agreement contains the entire understanding of the parties, supersedes all prior agreements and understandings relating to the subject matter hereof and shall not be amended except by a written instrument hereafter signed by all of the parties hereto.

14. Governing Law. This Agreement and the right and obligations of the parties hereunder shall be construed in accordance with and governed by the internal laws of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

15. Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns. Neither this Agreement nor the obligations of any party hereunder shall be assignable or transferable by such party without the prior written consent of the other parties hereto.

16. Confidentiality. This Agreement is confidential. Producer shall not disclose this Agreement, or any term of it, to any third party without the prior written consent of ESP, except as required by law. Notwithstanding the foregoing, Producer may disclose the commissionable compensation that Producer receives or fees charged by ESP to actual or prospective insureds.

17. Notices. All notices, demands and other communications hereunder shall be in writing or by written telecommunication, and shall be deemed to have been duly given if delivered personally or if mailed by certified mail, return receipt requested, postage prepaid, or sent by written telecommunication, as follows:

If to ESP: ESP Insurance Brokerage, LLC and
 SHEL Risk Purchasing Agreement
 306 Main Street
 Worcester, MA 01608
 and/or
 5 Burlington Woods Rd, Suite 100
 Burlington, MA 01803
 contact@espspecialty.com
 www.espspecialty.com

If to Producer: _____

EXECUTED AS A SEALED INSTRUMENT AS OF THE ____ DAY OF _____.

[PRODUCER}

By: _____

ESP INSURANCE BROKERAGE, LLC

By: _____

SHEL RISK PURCHASING GROUP
ASSOCIATION

By: _____