

PRODUCER EMPLOYMENT AND NON-PIRACY AGREEMENT

This Agreement entered into this __ day of __, 20__, by and between _____, a _____ corporation, hereinafter referred to as the "Corporation" and _____, hereinafter referred to as the "Employee".

RECITALS:

A. Employee is presently engaged in the insurance business, has the necessary skill in such business and has the necessary licenses required for the purpose of selling insurance.

B. Corporation is in the business of soliciting the sale of various types of insurance contracts as an independent insurance agency, and other related services and products, and is desirous of obtaining the services of Employee to effect such sales on its behalf.

In consideration of these premises, the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

- 1) Purpose. The purpose of this Agreement is to set forth some of the terms and parameters of employment relating to the Corporation's business. These terms of employment shall be in addition to the terms set forth in any employee handbook, personnel policy statement, or similar expression of policy issued by the Corporation, as amended by the Corporation from time to time, and in addition to compensation separately agreed upon. If there should be a conflict between the terms of this Agreement and the terms of the handbook or policy, this Agreement shall be controlling.
- 2) Commencement of Agreement. Corporation hereby engages Employee to perform the services hereinafter set forth commencing as of _____.
- 3) Status of Parties. The Employee acknowledges that his relationship with the Corporation is that of employer and employee.
- 4) Other Employment. The Employee shall devote all of his working time to the business of the Corporation and shall not, during the term of this Agreement, accept similar employment nor perform independent services for other entities,

whether or not such entities are in competition with the Corporation, without obtaining written permission from the Corporation.

- 5) Duties of Employee. The Employee shall solicit and obtain insurance accounts on behalf of Corporation in accordance with applicable state law, and the policies and procedures established by Corporation, and from time to time shall in connection therewith evaluate risks and exposures, notify customers in writing of important exclusions and/or limitations on coverage and of recommendations made with respect to coverages and limitations, especially when these are not followed by the customer, and shall otherwise conduct himself in accordance with the professional standards of the industry. The Employee expressly agrees that the Employee will refrain from doing any of the following unless authorized in writing by Corporation:
- a) Giving any legal advice in relation to policy wording;
 - b) Binding of insurance contract or coverage;
 - c) Incurring any liability whatsoever on behalf of Corporation;
 - d) Taking claim reports (other than preliminary information), directly reporting claims to the carriers, accepting or denying coverage on any claim, or otherwise failing to direct claims matters to the appropriate Account Claim Representative;
 - e) Revoking, failing to promptly comply with, or changing notices, requests, communications or procedures promulgated or issued by any (i) insurance company, (ii) general agent, or (iii) Corporation.

Employee shall be responsible for collecting within thirty (30) days (such period may be shortened or lengthened by the policies and procedures promulgated by Corporation from time to time) all premiums due or, if the premium is to be financed, shall collect the required down payment and shall obtain a properly executed financing agreement. The Employee shall be solely responsible for 100% of all uncollected earned premiums on any insurance contract obtained by Employee. If an account is over ninety (90) days old, the uncollected Gross Premium will be charged against the Employee's compensation. Corporation will work with the Employee to expedite collection and may assign such account to a Collection Bureau. The costs of such service shall be fully borne by Employee. Corporation shall have the right, without prior consultation with Employee; to adjust the compensation paid Employee to reflect failure to collect premiums.

Employee shall comply with all policies and procedures promulgated by Corporation, unless otherwise expressly authorized by Corporation. Failure to do so shall constitute a material breach of Employee's obligations hereunder.

- 6) Duties of Corporation. Corporation shall furnish to Employee at Corporation's expense all customer servicing, support and clerical services reasonably necessary to manage the insurance contracts written by Employee, including office space, office telephone, and utilities as required in the ordinary course of business.

- 7) Compensation - As compensation for services hereunder, Corporation shall pay Employee an agreed upon percentage of the Commission Income realized by Corporation on insurance contracts and policies written by Employee or with respect to which Employee performs sales, renewals, delivery, and collection activity for Corporation, as set forth in Schedule "A" attached hereto and made a part hereof. This Schedule is subject to change with ninety (90) days prior notice to Employee, in accordance with the economic reality of the market and as determined by the President of the Corporation at his sole discretion. Employee's compensation shall end on the date of termination and Employee shall not be entitled to any commissions or compensation for policies produced or serviced prior to termination date, regardless as to date such commissions are received by Corporation.

- 8) Deductions From Compensation. All taxes and other deductions required by law shall be made from the Employee's compensation. Any overpayment of compensation, whether resulting from miscalculation or otherwise, shall be deducted from the Employee's future compensation. The Employee agrees that the Employee shall be indebted to the Corporation for any excess commissions paid to the Employee as the result of the subsequent cancellation of a policy, and that the Employee shall be indebted to the Corporation in the amount of any premiums which the Corporation is required to pay an insurance company as the result of the Employee's failure to timely cancel a policy sold by the Employee due to non-payment of premiums to the Corporation, or to an insurance carrier, by the customer. The Employee further agrees that any sums owed by the Employee to the Corporation and the value of any property of the Corporation in his possession at the time of termination of employment is debt that the Employee authorizes to be offset against any future compensation to which the Employee may be due from the Corporation.

- 9) Property of the Corporation. All insurance business, including renewals, whether property, casualty, life or other, produced by the Employee during the continuation of this Agreement shall be written through the Corporation and if brokered elsewhere, it shall be done only in the name of the Corporation and only with the Corporation's written consent. All business produced by the Employee or worked on by the Employee may be coded or otherwise identified to indicate its source of production, however, notwithstanding such identification, all such business including the expiration data and all files and records in connection therewith, shall be the exclusive property of the Corporation and shall continue to be so after the termination of this Agreement for whatever cause, and the Employee hereby waives and releases all claims of

right or ownership thereto and covenants that the Employee shall not make or retain copies of such property by computer record or otherwise.

- 10) Billing, Correspondence, and Advertising. All premiums shall be billed by and shall be owed to the Corporation, all checks and drafts in payment of such premiums shall be made payable to the Corporation, and all money received in payment of premiums or other fees shall be turned over to the Corporation in the form received and deposited in the Corporation's account. All correspondence and all publicity and advertising shall be carried on in the Corporation's name.

- 11) Confidentiality. The Employee recognizes and agrees that the Corporation's business is highly competitive and that in the course of business the Employee will become acquainted with confidential information belonging to the Corporation which is valuable, specialized, and a unique asset of the Corporation. This information relates to persons, firms and corporations which are or may become customers or accounts of the Corporation during the term of this Agreement, and sources with which insurance is placed including, but not limited to, the names of customers, policy expiration dates, policy terms, conditions and rates, familiarity with customers' risk characteristics, and information concerning the insurance markets for large or unusual commercial risks. The Employee agrees that the Employee will not without the written consent of the Corporation disclose or make any use of any such confidential information, except as may be required in the course of his employment hereunder during the course of his employment with the Corporation or at any time after the termination of the employment.

- 12) Non-Piracy. The Employee agrees that during his employment and for a period of two (2) years after leaving the employment of the Corporation, the Employee will not engage directly or indirectly in competition with the Corporation by directly or indirectly soliciting or accepting insurance or bond business from or performing any of the services performed by the Corporation for any customer of the Corporation or any potential customer of the Corporation being solicited for business by the Corporation at the time of the termination of employment regardless of the location of such specific customer and regardless of the place of work of the Employee.

- 13) Injunctive Relief. In the event of a breach or threatened breach by the Employee of the provisions of paragraph 11 or 12 hereof, the Corporation shall be entitled to a temporary restraining order, temporary injunction and permanent injunction restraining the Employee from such activity. In the event of litigation, the

prevailing party shall be entitled to recover from the non-prevailing party all costs incurred, including reasonable attorney's fees in enforcing the provisions of this Agreement. Nothing herein shall be construed as prohibiting either party from pursuing any other rights or remedies at law or in equity available for such breach or threatened breach of the provisions of this Agreement, including the recovery of damages, and all such rights and remedies shall be cumulative.

14) Certain Commissions and Fees. In addition to injunctive relief as provided for herein, if any commission or fees become payable to the Employee or to any person, firm, or corporation by whom the Employee has been employed or affiliated or in which the Employee has had an interest whether direct or indirect, as a result of a violation by the Employee of the provisions of paragraph 11 or 12 of this Agreement, the Employee agrees to pay promptly to the Corporation an amount equal to one hundred percent (100%) of such commissions or fees or the commissions or fees last charged by the Corporation to such customer, whichever is higher, for three (3) years beginning with the first date that such commissions or fees became payable to such other person, notwithstanding the fact that such period of damages may be longer than the period of non-piracy provided in paragraph 12 above. These commissions and fees shall be the sole damages to which the Corporation shall be entitled in the event of a breach by the Employee of the provisions of paragraph 12 of this Agreement and the parties recognize that in the event of such a breach the Corporation's damages would not be limited to a single year's lost commissions or fees. If the Corporation must institute suit in order to collect these damages, it shall be entitled to recover its reasonable attorneys' fees from the Employee.

15) Severability. The provisions of this Agreement shall be severable, and if any provision of this agreement shall be unenforceable or invalid, then the remainder of the provisions of this Agreement shall not be affected thereby. If any of the restrictions of this Agreement shall be unenforceable, they are for too long a period or cover too broad a geographical area, or for any reason whatsoever, it is agreed that the restrictions shall be effective for such a period of time and for such area and to such extent as the same may be enforceable.

16) Assignment and Successorship. In the event of the sale, merger, other acquisition or reorganization of the Corporation into some form of business other than a corporation, this Agreement including but not limited to Section 12 shall be assignable to the successor entity.

17) Jurisdiction and Venue. This Agreement shall in all respects be interpreted, construed, and given effect according to the laws of the State of < _____ >.

Jurisdiction to enforce this Agreement shall lie in <_____>and venue shall be proper in any county where the Corporation maintains an office.

18) Termination. This Agreement may be terminated by notice of either Employee or the Corporation furnished to the other, at any time hereafter. Termination of this Agreement shall not terminate those sections that, by their terms, are intended to survive the termination of this Agreement.

WITNESS our hands and seals this _____ day of _____, 20__.

WITNESSES:

As to Corporation

_____, President

As to Employee

Employee

Schedule A

Producer Compensation