

**21st Century General Agency Inc.
and
Affiliated Companies**

GENERAL PRODUCER'S AGREEMENT

Definitions:

When referred to herein the COMPANY is the COMPANY that has furnished policies of insurance to the Managing General Agency and whose policies of insurance are issued by the licensed, contractual Managing General Agent, who is one of the two parties to this Agreement. When referred to herein the Managing General Agency (MGA) is the licensed, contractual Managing General Agent that is one of the parties to this Agreement and who has been furnished by the COMPANY the insurance policies to be issued in connection with this Agreement.

When referred to herein the PRODUCER is the licensed agent that is the other party to this Agreement and who is the representative of the applicants for insurance to the MGA for consideration.

The principals to this agreement are: _____

Doing business as: (Agency Name) _____

Whose address is _____

(Herein called PRODUCER)

And

21st Century General Agency whose address is 1761 International Parkway, Suite 105, Richardson, Texas 75081 (herein called MGA.) Whereas, the PRODUCER desires to submit applications from time to time for his clients for various insurance coverage's through the facilities of the MGA and, whereas, the MGA desires to make its facilities available to the PRODUCER in cases where the terms are mutually agreeable.

A. RISK SELECTION & PLACEMENT

1. MGA shall be the sole judge of the acceptance of any risk and shall incur no liability for failure to place any risk.
2. MGA is not an COMPANY and does not guarantee the financial condition of COMPANY's with whom it may place risks.
3. MGA shall have no liability for losses under contracts of insurance placed by it whether due to insolvency of an COMPANY or otherwise.

B. AUTHORITY OF PRODUCER

1. PRODUCER shall have full power to:
 - a. Receive and accept applications for insurance covering only such classes of risks and in such amounts as MGA may so authorize PRODUCER to accept. Acceptable risks shall be defined in the applicable published and distributed underwriting guidelines in effect at the proposed effective date of the policy.
 - b. Collect premiums from insured's or applicants for insurance submitted by PRODUCER to the MGA.
2. PRODUCER shall promptly forward to the MGA all information pertaining to any application or policy in force, as well as all other evidences of intent to insure or to modify existing policies. Notice to PRODUCER of change in a risk or loss does not constitute notice to MGA or the COMPANY(s)
3. PRODUCER shall have no authority not specifically authorized in this Agreement, and PRODUCER shall have no authority to extend the time for payment of any premium or to change, alter, vary or waive any of the terms, requirements, or conditions contained in any application or policy.
4. PRODUCER has no authority to accept or bind risks on behalf of MGA or any COMPANY(s) represented by MGA except when authorized in writing via the attached addendum. Written authorization shall include such binding instructions relating to specific insurance programs in underwriting and/or rate guides published and distributed by the MGA and in effect at the inception (effective) date of the policy Issued.
5. PRODUCER has no authority to handle claims other than to notify MGA of their occurrence. PRODUCER agrees to immediately report a claim in writing to said MGA upon receiving knowledge of the same. Assignment of a claim adjuster is the sole right and responsibility of MGA and/or the concerned carrier(s).
6. PRODUCER has no authority to cancel coverage's provided through MGA. All requests for cancellations are to be submitted in writing to MGA in a form acceptable for cancellation under the policy conditions.
7. PRODUCER has no authority to accept referrals of any business from another agent without specific written authorization from the MGA. Should the PRODUCER violate this prohibition of accepting referrals of any business for or with some other agent without notice to and consent from said MGA, such an act shall constitute and accomplish immediate cancellation of the Agreement with full and unlimited liability to the PRODUCER thereof on any such insurance involved.
8. PRODUCER has no authority to waive or extend any policy obligation or condition or to incur any liability on behalf of MGA or any carrier represented by said MGA.
9. PRODUCER shall not produce, issue or distribute any advertisement, circular, brochure or any other promotional material on behalf of or mentioning the name of the MGA without MGA's prior written consent.
10. PRODUCER shall not at any time backdate the inception date of any policy or endorsement.

11. MGA reserves the right to limit PRODUCERS authority to specific coverage's and/or products within a product line and/or limit the product lines available to said PRODUCER. The exercise of that right shall not cancel this agreement nor relieve PRODUCER of PRODUCERS obligations and duties to said MGA.

C. CANCELLATIONS

1. MGA shall have the right to cancel or modify any insurance contract in accordance with its terms and conditions and if MGA elects to do so, PRODUCER shall remain obligated to pay MGA the earned premium thereon less PRODUCER'S earned commission.
2. No policy or binder will be cancelled flat unless acceptable evidence for cancellation is received prior to the effective date of the policy or binder, and prior to issuance of the policy by the MGA.
3. Notwithstanding the return of an original policy for cancellation, cancellation will not be effective until sufficient time has elapsed for proper notice to mortgagees, loss payees, certificate holders, public service regulatory bodies, etc... in cases where such notice be required.
4. Cancellation, unless requested by MGA, will be computed in accordance with policy provisions and/or applicable Texas Insurance Code and/or Texas Department of Insurance Rules and Regulations.

D. PRODUCER IS AN INDEPENDENT CONTRACTOR

1. The PRODUCER shall be free to exercise his judgment as to the persons solicited and the time, manner, means and places of solicitations.
2. PRODUCER is not the employee, agent, or authorized representative of MGA or, unless legally appointed, of any COMPANY(s) represented by MGA.
3. MGA shall not be responsible for any expense of PRODUCER whatsoever, whether arising out of this Agreement, or not, or incurred in any connection with this Agreement.
4. MGA shall have no responsibility for, or control over, any fees charged by the PRODUCER in excess of the premium provided that any such fees shall be reasonable and charged in conformance with applicable law.

E. EXPIRATIONS AND RENEWALS

1. MGA expressly recognizes PRODUCER'S independent ownership of the policy expirations covered by this Agreement and PRODUCER shall retain ownership of these expirations during and after the termination of this Agreement. The MGA's records or knowledge of names of Insured's and expiration dates shall not be communicated or referred by MGA to any other agent, broker, or person. However, in the event of termination of this Agreement, the PRODUCER being in default and failing to promptly account for and pay all sums for which he may be liable, the MGA's records, use, and control of expirations shall be vested in MGA.
2. MGA will use its best efforts to give the PRODUCER reasonable advance notice of the expiration of all policies, but failure of MGA to provide such notice shall not render MGA liable.

3. At renewal of any policy issued by the MGA, PRODUCER shall be responsible to the insured for the renewal or replacement of the policy and shall in a timely manner communicate any renewal quoted from the MGA to the insured to preclude the extension of coverage beyond the expiration date of the policy.

F. WARRANTY & HOLD HARMLESS AGREEMENT

1. PRODUCER warrants that he is properly licensed for the classes of business to be conducted and the coverage's of insurance to be procured through the facilities of said MGA and that all placement with MGA will be made in compliance with Texas Insurance Code and/or Texas Department of insurance Rules and Regulations.
2. In the event MGA shall have to institute any lawsuit to enforce the obligations assumed by PRODUCER in this Agreement, the undersigned PRODUCER (and if more than one, jointly and severally) agrees to indemnify and hold harmless from all costs, expenses, judgments and attorney's fees incurred by MGA in connection with any such lawsuit.
3. Except as otherwise provided in F2 above, with regard to each party's obligation pursuant to this Agreement, such party hereby holds the other harmless, from, and shall indemnify the other party against and provide legal defense to or for the other party for any and all claims, damages, liabilities, and expenses including compensatory damages: punitive or exemplary damages, attorney's fees; cost of litigation; and interest on judgment, award, or settlement actually and reasonably incurred as a result and to the extent of that party's acts or omissions, whether inadvertent, accidental, negligent, or intentional. For purposes of this section only, the term "party" includes officers, directors, employees, agents, and representatives.

G. COMPENSATION

Subject to compliance by the PRODUCER with the terms and conditions of this Agreement, the MGA will pay and the PRODUCER will accept as full compensation for business placed with and accepted by MGA, a commission on each policy written and paid for under this Agreement at a rate specified in the addendum of this Agreement.

H. POLICY AND SPECIAL FEES

All special fees, policy fees, charges, or expense constants, charged in addition to the premium on policies or endorsements, are to be regarded as fully earned at the time of the inception of the policy or endorsement unless otherwise stipulated by Texas Insurance Code and/or Texas Department of Insurance Rules and Regulations. The obligation of PRODUCER to pay such amount shall be the same as if they were premiums, except that no commission will be allowed upon such amounts unless specifically authorized by MGA in writing.

I. PAYMENT OF PREMIUMS

1. Unless otherwise stated in the published and distributed Underwriting Guidelines, or addressed to the contrary in one of the enclosed line of business addendums, total gross premium, including the policy fee, shall be remitted with each application submitted.
2. PRODUCER specifically agrees that any extension of credit by him to his client or to any other person is solely at his own risk.

3. PRODUCER shall pay MGA all sums due MGA, when due, whether or not he has as earned such monies from others who may owe it to him. Furthermore, PRODUCER recognizes that in agreeing to pay MGA, he does so as an original undertaking on his own part and not as guarantor or surety of another's obligation.
4. Notwithstanding any other provision of this Agreement, all premiums as earned by PRODUCER for insurance procured under this Agreement are trust funds and property of the MGA. It is understood that the PRODUCER is acting as a fiduciary under this Agreement. Those funds shall not be used for any personal or business purpose whatsoever, but shall be held until remitted or disbursed in accordance with the terms of this Agreement.
5. The PRODUCER shall keep true and complete records of all transactions involving business under this Agreement and shall permit MGA's representatives the right to examine these records, accounts, vouchers, and correspondence during normal business hours.
6. If a return premium becomes due under any policy, MGA will promptly, within 30 days, refund PRODUCER or insured the return premium.
7. Premiums, as used herein, shall include premium arising out of any Agreement of insurance including policies, or binders and shall include commission.
8. It is the duty of the PRODUCER to deposit all premium and policy fees into their premium trust account to be electronically accessed and "swept" to the MGA's premium account unless agreed to otherwise.

J. SECURITY AND PAYMENT

1. MGA shall have the right to offset any amounts due MGA from PRODUCER against amounts due PRODUCER by MGA.
2. In the event MGA receives an insufficient funds check from PRODUCER, MGA may elect to deem insufficient funds check as breach of contract, which may result in the cancellation of said PRODUCER'S Agreement. MGA, at its discretion, may elect to process any new or renewal business applications from PRODUCER and requests for endorsement of policies in force only if accompanied by a cashiers check, certified check or cash for the gross premium due until such time that PRODUCER pays in full the obligation covered by the insufficient funds check.
3. PRODUCER agrees to refund unearned commission within 30 days to MGA at the same rate that commissions were paid to PRODUCER.
4. PRODUCER hereby gives the MGA authorization to direct deposit any commissions due the PRODUCER for policies written by the PRODUCER on behalf of the MGA. The PRODUCER further authorizes the debit/withdrawal of any amounts owned to the MGA by PRODUCER (fees, policy cancellations, return commissions) that remain outstanding (60) sixty days after the date of the PRODUCERS monthly commission statement. This authority remains in effect until the MGA has received advance written notice of termination from PRODUCER and all monies due the MGA have been received.

K. VALIDITY AND PERFORMANCE

The obligations and undertakings of each of the parties to this Agreement shall be performable at Dallas County. PRODUCER agrees to pay to MGA, at its home office, in Dallas County, in the state of Texas, all sums of money which may become payable to MGA under this Agreement. If the PRODUCER is a non-resident of the State of Texas, PRODUCER herein recognizes that this Agreement is with a resident of the State of Texas and is, therefore, performable by PRODUCER in the State of Texas. PRODUCER, if a non-resident of the State of Texas, designates the Secretary of the State of Texas as their attorney-in-fact to receive the service of process.

L. TERMINATION, SUSPENSION, OR AMENDMENT OF AGREEMENT

1. This Agreement supersedes all other Agreements between MGA and PRODUCER and shall be binding upon and inure to the benefits of the parties, their respective heirs, representatives and successors and shall continue in force until terminated by mutual Agreement of the parties or by one of the parties giving thirty (30) days written notice of termination to the other, subject to statutory requirements.
2. Except for unilateral amendments documented in the attached addendums, this Agreement may not be altered or modified, except in writing, signed by both parties.
3. If PRODUCER is a partnership, the death, withdrawal, or addition of one or more partners shall not terminate this Agreement, but it shall continue to be binding as between MGA and the partnership as then constituted. If PRODUCER is an individual and takes one or more partners, this Agreement shall not terminate but shall be binding upon each and all of the members of such partnership.
4. This Agreement shall terminate immediately, without notice, if any public authority cancels or declines to renew the license or certificate of authority of PRODUCER. In the event of any cancellation, revocation, suspension or forfeiture of such license PRODUCER shall immediately notify MGA of the complete details thereof, and PRODUCER shall forfeit all commissions, earned or unearned, on policies effective as of such cancellation, revocation, suspension, or forfeiture of license.
5. In the event of violation of PRODUCER'S fiduciary responsibility, including insolvency, threat of insolvency, fraud, abandonment, willful, gross, or negligent misconduct, this Agreement may be cancelled by the MGA at any time thereafter, effective immediately by notice to PRODUCER. In the event of any indebtedness of PRODUCER to MGA all premiums in the hands of PRODUCER or for the collection of which PRODUCER is responsible shall, notwithstanding any provisions herein to the contrary, become immediately due the MGA.
6. The obligations of PRODUCER to indemnify and hold MGA harmless on any claim arising from failure of the PRODUCER to comply with the terms of this Agreement shall survive termination of this Agreement.
7. As provided in B7, this Agreement shall terminate in the event the PRODUCER violates the prohibition of accepting referrals of any business for or with some other agent without notice to and agreement of the MGA.
8. MGA shall, upon demand of PRODUCER, following termination of this agreement, supply PRODUCER with a list of policyholders, by expiration date, together with salient details of coverage, as such data appears on MGA records as long as the PRODUCER is not in default of any of the covenants of this agreement.

9. During the term of this agreement and within 60 months, 5 years, following termination of this agreement, MGA shall have access to all policyholder records, experience data, enrollment characteristics and other data developed by producer relating to policies and may take away copies thereof at their own expense. This information will not be used for the solicitation of policyholder records, experience data, enrollment characteristics and other data developed by producer or transferred to any other party for that purpose.
10. Upon termination, producer shall immediately cease to act under this agreement or to represent the agency as a producer under this agreement.
11. Upon termination, PRODUCER shall , upon demand, return to the MGA any policies, forms or other supplies imprinted with the MGA's name regardless of who incurred the cost of the same, or any policies, forms or other supplies furnished to the producer by the MGA or Company.

M. NON WAIVER

1. If any term or provision of this Agreement shall to any extent be invalid or unenforceable, the remainder of this Agreement shall not be affected hereby and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
2. Any terms or conditions of this Agreement which are in conflict with the statutes or lawful regulations of the state wherein business is written are hereby amended, without notice, to comply with such statutes and regulations as from time to time governing.
3. Any failure of MGA to take advantage of any breach by the PRODUCER of the terms, conditions, provisions, or limitations of this agreement shall not be deemed to constitute a waiver of subsequent breach of the same terms, conditions, provisions of limitations, or any right on the part of MGA thereafter to enforce any of the terms, conditions, provisions or limitations of this Agreement.

N. MISCELLANEOUS

1. PRODUCER, agrees to do everything possible to safeguard the interest of MGA and shall immediately report to MGA, with full details, any fact, occurrence or incident that may result in a claim, loss, or increased risk of loss to MGA. The PRODUCER shall forward all claims, suits, and notices of loss and cooperate fully with MGA to facilitate the investigation, adjustment settlement, and payment of any claim when and as requested by MGA. The PRODUCER will assist MGA in the collection of any deductible due from the Insured. PRODUCER has no authority to adjust or settle claims or to assign the adjustment of any claim.
2. PRODUCER shall timely and completely comply with all laws, rules, and regulations, including all underwriting and other rules of MGA in the conduct of its business under this Agreement and shall not expose the MGA to any claim, litigation, administrative proceeding, fine, or penalty, in whole or in part.
3. The rights, privileges, interests, powers, or claims of PRODUCER arising under or growing out of this agreement are not assignable (by sale or otherwise), and no assignee shall acquire any rights thereto, without the written consent of MGA.
4. The parties hereto, hereby agree to execute and deliver all such instruments and take all such action as may from time to time be necessary in order to fully effectuate the purposes of the Agreement.

5. Any policy forms or other MGA supplies furnished to PRODUCER by MGA shall always remain the property of MGA and all property of MGA shall be returned to its representative promptly upon demand.
6. This Agreement shall be executed in two (2) or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same document.
7. Words and phrases shall be read in context and construed according to the rules of grammar and common usage. Words and phrases that have acquired a technical or particular meaning, whether by legislative definition or otherwise, shall be construed accordingly. Words in the present tense include the future tense. The singular includes the plural, and the plural includes the singular. Words of one gender include the other gender.
8. The heading of the paragraphs of the Agreement are a convenience only, and shall not effect its interpretation.
9. This agreement shall take effect upon its execution by said MGA. This contract is and shall be construed to comply with all aspects of State of Texas law.
10. PRODUCER and the said MGA agree that there is good, sufficient, and valid consideration for the execution of this agreement.
11. PRODUCER will place all applications for coverage via said MGA's designated Agent Interface unless written permission to do otherwise is provided. PRODUCERS relationship under this agreement is only with MGA, and not with any issuer of a policy, or other broker or agency. This agreement is subject to the agreement between MGA and its insuring companies. PRODUCERS authority to solicit and accept applications for policies shall extend only to the lines of business, classes of risks, and limits of liability authorized by MGA and its insuring companies, which may be restricted by underwriting guidelines, rate charts, and other instructions received, from time to time, by MGA or from its insuring companies.
12. The conduct of business by producer under this agreement shall be further defined by all directives, instructions, rate books, and publications issued by the COMPANY or MGA, to the PRODUCER.
13. Upon termination, no party shall have a claim upon the other for loss of prospective profit or damage to the business arising thereof.
13. In lieu of termination, MGA may suspend the authority of producer to submit new and/or renewal business if such suspension is for cause.
14. Producer shall have no claim or cause of action against Old American County Mutual. Producer agrees to look solely to said MGA for any and all commissions, expenses, costs, causes of action and damages, including, but not limited to, extra contractual obligations, arising in any manner from actions or inactions by said Producer and/or MGA.

O. ARBITRATION

In the event of any dispute between the MGA and the PRODUCER under this Agreement, which the MGA and the PRODUCER are unable to resolve, the dispute shall be submitted to arbitration at the request of either party in the following manner:

1. The party requesting arbitration shall so notify the other party in writing and shall so specify the question or questions to be arbitrated.
2. Within ten (10) days after receipt of such notification, the MGA and the PRODUCER shall each select an arbitrator and give the name and address of such arbitrator to the other. To be deemed qualified, an arbitrator must be familiar with both the property and casualty insurance industry in the State of Texas and be knowledgeable of Surplus Lines customary procedures.
3. The two arbitrators shall promptly select a competent and disinterested party as the third arbitrator. To be deemed qualified, an arbitrator must be familiar with both the property and casualty insurance industry in the State of Texas and be knowledgeable of Surplus Lines customary procedures.
4. The decision of any two of the three arbitrators so chosen shall be final and conclusive on the MGA and the PRODUCER. The decision shall be in writing and copy thereof given both the MGA and the PRODUCER within thirty (30) days after the date of the request for arbitration.
5. All arbitration expenses shall be borne equally by the MGA and the PRODUCER.
6. Each arbitration under the provision shall take place in and be governed by the laws of the State of Texas.

P. INCORPORATED PRODUCER

In the event the PRODUCER under this Agreement is a corporation, it is agreed that it's undersigned corporate officer(s) shall personally guarantee the performance of this Agreement and personally indemnify MGA for any damages or expenses caused by any breach of this Agreement.

R. MGA AUTHORITY FROM COMPANY

While acting as the sole judge of the acceptance of any risk, for which an application has been received from the PRODUCER, the MGA shall not exceed the authority granted to the MGA in its contractual Agreement with the COMPANY which it represents.

- S. PRODUCER agrees that if any line of business addendum herein included in this agreement shall differ with any stipulation in this main agreement, then the referenced addendum shall supersede this main agreement.

T. LICENSING AND COMPANY APPOINTMENTS

The MGA may recommend license appointment of the PRODUCER to the COMPANY, which policies it issues, but shall not make license appointments of a PRODUCER on behalf of the COMPANY whose policies it issues.

That PRODUCER warrants that he is properly licensed for the classes of business to be conducted and the coverage's of insurance to be procured through the facilities of MGA and that all placement with MGA will be made in compliance with the Insurance Code of the State of Texas.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written.

_____	_____	_____	_____
Witness	Date	Managing General Agent 21 st Century Representative	Date
_____	_____	_____	_____
Witness	Date	Producer	Date

**PRODUCER'S AGREEMENT
AUTO ADDENDUM**

- A. PRODUCER shall submit all applications for coverage via the agent interface provided by said MGA. PRODUCER shall have no binding authority.
- B. PRODUCER will remit in gross (without deduction of commission) all premiums that may be received for such policies;
- C. PRODUCER will initiate request for policy changes. Endorsement requests should be accompanied by 17% of the estimated premiums.
- D. MGA shall prepare and issue all policies, endorsements, renewals, and other material directly to insured's and shall bill insured's directly on PRODUCER'S behalf for all renewal, continuation, and additional premiums.
- E. MGA shall compute and pay PRODUCERS, following the close of each month, commissions as from time to time declared by the MGA, with respect to new, renewal, continuation, or additional premiums as earned and processed during such month on policies written or processed for PRODUCER'S accounts less any commissions on return premiums;
- F. PRODUCER'S name shall be clearly and prominently included with all materials processed by MGA, directly to insured's in size no smaller than that usually produced by MGA's electronic data processing for new policies, renewal policies, continuation notices of renewal certificates, and premium bills;
- G. MGA shall, upon demand of PRODUCER following termination of this agreement, supply PRODUCER with a list of policyholders by expiration date, together with salient details of coverage, as such data appears on MGA records. As it respects contracts of insurance subject to company billing procedures, if producer is not in default under this Agreement, MGA shall issue such notices of non-renewal as PRODUCER may request, subject to requirements imposed by law or policy provision.
- H. If a return premium becomes due under any policy, MGA will promptly refund to named insured such return premium, including unearned commission, and debit the PRODUCER'S account in the amount of the unearned commission.
- I. A commission as defined below will be paid on all new and renewal auto business. All commissions shall be paid on an as earned basis.
- J. PRODUCER hereby gives the MGA authorization to direct deposit any commissions due the Producer for policies written by the Producer on behalf of the MGA. The Producer further gives the MGA the authorization to debit any premium due the Producer for policies written by the Producer on behalf of MGA. This authority remains in effect until MGA has received advance written notice of termination from Producer in time to allow MGA a reasonable opportunity to act on it.
- K. In the event PRODUCER'S appointment has been cancelled, full commission will be paid on existing policies until all are expired, cancelled or terminated.

L. As electronic signatures will be utilized to process all new business, renewals, cancellations and endorsements the following are the additional specific duties and responsibilities of an agent.

1. Require a picture ID to determine and prove the identity of the applicant.
2. Process all policy transactions and issue all applications on the MGA's website with the effective date and time accurately reflecting the same time and date that the policy was bound.
3. Producer shall not attempt to explain any web pages that confuse or are unclear to the applicant when presented, but shall stop the application process and notify the MGA or the resident agent immediately.
4. Producer shall advise the applicant that the application will utilize an electronic signature process and the acceptance and use of such electronic signature must only be elected while the applicant is in the Producers office. Producer shall also advise the applicant that the use of an electronic signature will not be denied legal effect or enforceability solely because it is in electronic form.
5. Provide the applicant with a copy of the completed application, digital signature acceptance confirmation, declarations, endorsements, exclusions, receipt and ID cards prior to the applicant's departure from producer's office and retain a copy of all documents delivered to applicant in Producer's files.
6. Producer is again expressly prohibited from making , altering, waiving, modifying , misrepresenting or discharging any of the terms or provisions set forth in a policy, endorsement, application, binder or the MGA's website.
7. Applicant may choose not to conduct transactions by electronic means.

PRODUCER shall have the right to quote, and bind coverage on new business and renewals **ONLY** if the transaction is processed through the official MGA Producer Interface.

Old American County Mutual

6 Month Auto Program MGA Principal _____
 Date Approved _____
 Commission Rate _____

Old American County Mutual

1 Month Auto Program MGA Principal _____
 Date Approved _____
 Commission Rate _____

 Witness Date 21st Century Representative Date

 Witness Date Producer Date