

PRODUCER'S AGREEMENT FOR PROFESSIONAL LIABILITY PRODUCTS

This Agreement is made by and between the insurance producer identified in Article XII (hereinafter, “you” and “your”), and the insurance companies identified in Article XII (collectively, “we,” “us,” and “our”). The parties hereby agree as follows:

Article I. Definitions

- A. “Effective Date” means the date that this Agreement becomes effective, as set forth in Article XII.
- B. “Expiration Information” means business records and information originating with you regarding any applicant or insured under a Policy or Renewal, including, without limitation, the date of expiration and policy limits of any Policy or Renewal.
- C. “Policy” means any insurance contract issued in the Territory by us pursuant to this Agreement.
- D. “Renewal” means any insurance contract issued in the Territory by us or any of our corporate affiliates that:
 - 1. is effective within sixty (60) days after the expiration date of any Policy or Renewal thereof;
 - 2. provides substantially similar coverage as any such Policy or Renewal;
 - 3. is issued to the same named insured as such Policy or Renewal; and
 - 4. is issued using your Expiration Information.A Renewal shall include any insurance contract issued in the Territory by us pursuant to any previous agreement between you and us with respect to the subject matter hereof, provided that such insurance contract is renewed after the Effective Date of this Agreement.
- E. “Submission Information” means information that we provide or make available to you in written or electronic format, including, without limitation, insurance applications, product guides, rates and rating software, processes and procedures, commission schedules, or premium payment plans.
- F. “Territory” means the jurisdiction(s) where you are licensed and we make insurance products available to you, as listed in Article XII. Subject to your licensing status, we may add jurisdictions with written notice to you.
- G. “Trademark(s)” means any and all of our company names, trade names, domain names, slogans, tag lines, logos, trademarks or service marks.

Article II. Authority

- A. Subject to and in accordance with this Agreement and the Submission Information, you have the authority in the Territory to solicit, receive applications, and collect and provide receipts for premiums for authorized insurance products specified in Article XII.
- B. You are not authorized to and agree that you will not effect, bind, or underwrite insurance coverage on our behalf in any manner. For coverage to be bound, you must request that we do so, in written or electronic format as specified by us. Coverage will be bound only if and when we have manifested our acceptance of the request through issuance of a policy number or other written or electronic confirmation.
- C. Further, you agree that you will not:
 - 1. submit to us any application for insurance:
 - a. that you know or have reason to know is false, inaccurate or misleading; or
 - b. for any class of risk not specified in the Submission Information;
 - 2. adjust or settle any claim under a Policy or Renewal; or
 - 3. collect from any person who is or has applied to be insured with us any fees or charges in connection with the performance of this Agreement that are in addition to those specified in the application for a Policy or declarations page for a Renewal, except in compliance with all applicable laws. You are solely responsible for any legally required disclosure of such fees and charges to applicants and insureds. Nothing in this Agreement shall be construed as authorizing the imposition or collection of any such fees or charges on our behalf.
- D. Without our prior written consent, you have no authority to, and agree that you will not:
 - 1. accept business subject to this Agreement from, anyone other than your duly licensed and appointed employees or duly licensed and appointed producers who are subject to a written agreement allowing them to solicit business for you;
 - 2. make or issue with respect to Policies or Renewals financial responsibility filings, certificates of insurance (except on forms provided by us), filings with any government agency, policies, endorsements, or renewal or cancellation notices;
 - 3. disclose to our competitors or their agents information contained in our Submission Information; or
 - 4. display or use, or instruct or permit others to display or use, any of our advertising, in whole or in part, or any of our Trademarks, or any words, phrases, pictures or graphics that are derived from or confusingly

similar to the same, in any way, including, without limitation, in signs, advertisements (e.g., print, electronic, radio, television, etc.), promotional material, business cards, directory listings, domain names, Web sites or search engines. If you violate this provision and such violation is not remedied to our satisfaction within fifteen (15) days after our written notice thereof, then in addition to any other remedies available to us at law or in equity, you agree that we shall have the right to do any or all of the following: (a) terminate this Agreement immediately upon written notice to your last known address; (b) obtain immediate injunctive relief against any such display or use; or (c) collect for each month in which such violation occurs liquidated damages equal to the greater of \$1,000 or 2% of your previous year's total written premium with us.

E. We have the authority to:

1. expand, restrict, suspend or modify any part or all of your authority hereunder upon written notice to you;
2. change our Submission Information by providing written notice or making the same available to you; and
3. access and use Expiration Information only as described in Article V.

Article III. Duties

A. You agree to:

1. submit to us promptly all applications and premiums in any manner that we may specify, which may include, without limitation, electronic transmission;
2. use all reasonable efforts to ensure that applications contain complete and accurate information;
3. maintain an errors and omissions policy of insurance, covering you and each of your employees, with minimum limits of liability of at least \$300,000 from an insurance company acceptable to us;
4. comply with all applicable requirements in our Submission Information, as these may be changed by us pursuant to this Agreement;
5. notify us promptly of any and all felony convictions involving your producers;
6. present to each applicant or insured:
 - a. all notices that we may determine are legally necessary or legally prudent; and
 - b. all informational materials that we supply and ask you to provide;
7. pay for all of your operating expenses, including, without limitation, personal license fees and taxes, and occupational or municipal license fees and taxes;
8. comply with all applicable laws relating to the performance of this Agreement, including, without limitation, privacy, producer licensing and anti-steering laws;
9. instruct each insured to immediately report directly to us all claims or losses, and immediately refer to us any inquiry or report concerning any claim or loss that you may receive;
10. retain in an orderly fashion and for the period specified in the Submission Information, each of the following, to the extent applicable, with respect to Policies and Renewals: all original signed applications, exclusions, selections and rejections of optional coverage, and other documents that may be required by us in the Submission Information. You may retain electronically scanned documents in lieu of hard copy, provided that they are retrievable, durable, legible, unalterable and compatible with our systems. Upon expiration or termination of this Agreement, or at any time upon our request, you agree to send to us all such documents or copies;
11. allow us access to your facilities during business hours to review documents and records pertaining to Policies and Renewals, and assist in performing any such review;
12. provide to us any information in your possession or control that we may request in connection with this Agreement, including, without limitation, a copy of all or any part of any file concerning any person insured under, or who has applied for, a Policy or Renewal with respect to that Policy or Renewal or application for the same;
13. cooperate with us fully in our investigation of any claim or loss involving a Policy or Renewal;
14. pay to us any and all amounts due hereunder within the time specified in the Submission Information or, if not specified, within thirty (30) days after receipt of our invoice; and
15. refund unearned commissions to us at the same rate that such commissions were paid to you.

B. We agree to:

1. issue all policy contracts and related forms;
2. adjust or arrange for the adjustment of all claims;
3. notify you of any material change to any Policy or Renewal;
4. fulfill our obligations under our Submission Information, Policies and Renewals;
5. pay you commissions as provided in this Agreement;
6. comply with all applicable laws relating to the performance of this Agreement, including, without limitation, privacy, producer licensing and anti-steering laws;
7. pay for all of our operating expenses, including, without limitation, personal license fees and taxes, and occupational or municipal license fees and taxes; and

8. develop and provide or make available to you the Submission Information.

Article IV. Commissions

- A. Subject to Article IV.B, we will pay you commissions on Policies and Renewals based on our applicable commission schedules in effect as of the inception date of each such Policy or Renewal, provided that:
 1. if required by law, you are licensed as an insurance producer;
 2. you have paid all amounts that are due and owing to us;
 3. you are the producer of record at the inception of the Policy or Renewal; and
 4. we have not terminated this Agreement pursuant to Article VI.C.
- B. We may change our commission schedules for Policies upon thirty (30) days prior written notice to you, and for Renewals upon ninety (90) days prior written notice to you. Notwithstanding the foregoing, we may change our commission schedules immediately upon written notice to you if we determine that it is legally necessary or legally prudent.

Article V. Expiration Information

- A. You own all rights in Expiration Information, subject to the provisions of this Article. Without your prior written consent, we have no authority to, and agree that we will not:
 1. use any Expiration Information for the purpose of soliciting any Policy, Renewal, or other insurance product, except in accordance with Article V.C or Article V.E; or
 2. disclose Expiration Information to any third party, except for the purposes set forth in Article V.B.
- B. Notwithstanding the foregoing, we may:
 1. contact, or use any third party to contact, any person insured by us, formerly insured by us, or who has applied to be insured by us, to:
 - a. provide customer service to any such person;
 - b. process an agent of record change requested by any such person with respect to his or her Policy or Renewal or application for the same;
 - c. request, receive or verify any information related to any such person with respect to his or her Policy or Renewal or application for the same;
 - d. notify any such person of, and collect premiums due on, any Policy or Renewal;
 - e. change the terms of any Policy or Renewal;
 - f. provide information regarding insurance-related issues; or
 - g. refer to another independent insurance producer any such person who is insured by us and who moves to a jurisdiction where you are not licensed or authorized to solicit our insurance products; and
 2. access, use and disclose information regarding Policies and Renewals, including Expiration Information, only for the purposes set forth in Article V.B.1, Section 502(e) of the Gramm-Leach-Bliley Act, market research, product development, regulatory compliance, or determining compliance with this Agreement.
- C. Unless otherwise notified by you in writing, we may, in our discretion, offer to renew Policies and Renewals written hereunder. When required by applicable law, we will offer to renew such Policies and Renewals. If we make such offers to renew, then subject to Article IV and Article V.E, we will continue to designate you as the producer and pay you commissions on each resulting Renewal in accordance with our then-current commission schedules.
- D. Until you fully discharge your financial obligations to us under this Agreement, we hereby retain and you hereby grant to us a security interest in your Expiration Information to the extent of any such financial obligation, and you agree to execute such documents as we may require to evidence, preserve or perfect this security interest.
- E. We will own all rights in Expiration Information and all expiration and renewal rights related to Policies and Renewals, and we will have no further obligation to pay you commissions hereunder only if:
 1. we terminate this Agreement pursuant to Article VI.C.1 due to your failure to timely pay all amounts due and owing to us;
 2. we terminate this Agreement pursuant to Article VI.C.2 because you have abandoned, or been deemed to have abandoned, your business; or
 3. after termination of this Agreement, you fail to remit or make available funds due and owing to us when and as required by this Agreement, and such funds are not remitted or made available to us within ten (10) days after the date of our written notice to remit such funds.

Article VI. Term and Termination

- A. This Agreement will become effective upon the Effective Date, and will continue in effect until terminated as provided in this Section.
- B. Unless otherwise required by law, we may terminate this Agreement at any time immediately upon the expiration of at least ninety (90) days' advance written notice to your last known address. Any such notice shall

take effect on the later of ninety (90) days after the date of such notice, or the date for termination specified in the notice.

- C. Unless otherwise required by law, the advance notice required by this Section does not apply to us, and we may terminate this Agreement immediately upon written notice to your last known address, if:
 - 1. you fail to remit or make available funds due and owing to us when and as required by this Agreement, and such funds are not remitted or made available to us within ten (10) days after the date of our written notice to remit such funds;
 - 2. you abandon your business. You will be deemed to have abandoned your business if you cease to maintain a published telephone number or office location open to the public, or you change your telephone number or office location without providing prior written notice of the change to us and to your customers who are insured by us;
 - 3. your producer license is suspended or revoked;
 - 4. you engage in any fraudulent act against us or any applicant for or insured under a Policy or Renewal; or
 - 5. you otherwise fail, in any material respect, to comply with this Agreement, and do not cure such failure, or such failure is incapable of being cured, within thirty (30) days after the date of our written notice thereof.
- D. You may terminate this Agreement at any time immediately upon written notice to us.

Article VII. Rights After Termination

- A. Upon and after the expiration or termination of this Agreement:
 - 1. all authority given to you by this Agreement ends;
 - 2. we may notify any person insured under a Policy or Renewal of the expiration or termination of this Agreement;
 - 3. you will promptly cease use of our advertising and Trademarks and return, at your expense, all of our manuals, forms, identification cards, signs, records, materials, applications, rate guides, Submission Information, software, and any and all other property that we have made available to you;
 - 4. all in-force Policies and Renewals will continue to normal expiration, subject to their terms; and
 - 5. in our discretion, we may pay you commissions on Renewals as a percentage of earned premium, rather than written premium.
- B. Notwithstanding the foregoing:
 - 1. unless this Agreement is terminated by us pursuant to Article VI.C, and subject to Article II.E.1, you will continue to have authority to service Policies and Renewals outstanding after termination of this Agreement, you may retain those materials of ours that are necessary to exercise this authority, and we will provide you with access to information necessary to the exercise of this authority; and
 - 2. at your request, we will provide to you copies of any Policy and Renewal contracts and related declarations pages in our possession or control. We shall provide the same either electronically or in hard copy, at our option.
- C. The following provisions will survive the termination of this Agreement: Article II.D.4; Article II.E; Article III.A.7 through Article III.A.15; Article III.B.1 through Article III.B.7; Article V; Article VII; Article VIII; Article IX; and Article X.

Article VIII. Fiduciary Responsibilities

- A. You agree to hold in a fiduciary capacity for our benefit all funds received by you on our behalf, including, without limitation, premiums for insurance written under this Agreement. If mutually agreed between you and us, you will deposit such funds into a bank account for electronic transfer to us. If you fail to remit or make these funds available to us in a timely fashion, as required by this Agreement and the Submission Information, we will have a first lien on such funds. After the expiration or termination of this Agreement, you agree to continue to hold these funds in a fiduciary capacity for our benefit until you remit or make these funds available to us.
- B. Notwithstanding anything in this Agreement to the contrary, we may set off any amounts due and owing to you under this Agreement or any other agreement between you and us, against any amounts due from you to us under this Agreement or any other agreement between you and us.

Article IX. Privacy Compliance

- A. We will provide a privacy notice to our insureds as required by law. We will notify you in writing if you are required to provide a privacy notice to applicants on our behalf.
- B. We may provide to you information regarding applicants, insureds or claimants that is not collected by you. The use and disclosure of such information is subject to the terms of our privacy notice and applicable privacy laws. Accordingly, you agree not to further disclose or use any such information, except as necessary to carry out the purpose for which we provide it, or as expressly authorized by the person to whom it pertains.

- C. You must take steps to ensure the security and confidentiality of information concerning applicants, insureds and claimants under Policies and Renewals. Subject to the provisions of Article III.A.10, this includes taking reasonable steps to destroy, or arrange for the destruction of, records containing such information that are no longer to be retained by you by shredding, erasing or otherwise modifying the personal information in those records to make it unreadable or undecipherable through any means.

Article X. Indemnification

- A. We will indemnify, defend, and hold you harmless for and from all liabilities, losses, damages, judgments, actions, and expenses, including reasonable attorneys' fees (collectively, "Losses"), that you sustain due to our negligence, any wrongful acts, errors or omissions on our part, or our failure to comply with the provisions of this Agreement or our Submission Information. This indemnification shall include, without limitation, any Losses that you sustain due to our use of consumer credit information if you have complied with our procedures for use or ordering of the same. You agree to immediately notify us when you learn of or receive any claim that you feel is covered under this Article. We shall have the right to participate, at our expense, in the investigation and defense of any such claim, and may, at our option, assume full defense of any action filed. If we assume the defense, we will not be liable to you for any cost of litigation, including, without limitation, court costs and attorneys' fees, that you incur subsequent to our decision to assume defense of any such action.
- B. You will indemnify, defend and hold us harmless for and from all Losses that we sustain due to your negligence, any wrongful acts, errors or omissions on your part, or your failure to comply with the provisions of this Agreement or our Submission Information. We agree to immediately notify you when we learn of or receive any claim that we feel is covered under this Article. You shall have the right to participate, at your expense, in the investigation and defense of any such claim.

Article XI. Miscellaneous

- A. Written notices under Article V.C and Article VI shall be provided in hard copy and shall be sent to the intended recipient's last known address. All other written notices required under this Agreement may be provided in writing, by email or other electronic means, such as fax, and the parties hereby consent to receive such notices via fax. Notices shall be effective: (1) upon receipt if hand delivered; (2) upon receipt or refusal to accept delivery if sent by certified mail; (3) three days after mailing if sent by U.S. first-class mail, postage prepaid; (4) the next business day after being sent by overnight delivery service; and (5) the next business day after machine-confirmation of successful transmission if sent by fax or email.
- B. This Agreement will be governed by and interpreted under the laws of the jurisdiction of your address for notices set forth in Article XII. Any provision of this Agreement that is contrary to the controlling law is hereby deemed to be amended to bring it in compliance with that law. The determination by a court of competent jurisdiction that any provision of this Agreement is unenforceable will in no way impair or affect the validity or enforceability of any other provision of this Agreement.
- C. This Agreement contains the entire understanding between the parties and supersedes all previous agreements between the parties, oral or written, with respect to any insurance product that you are authorized to solicit under this Agreement. Such agreements are hereby terminated by the mutual agreement of the parties as of the Effective Date of this Agreement.
- D. This Agreement may not be modified or amended except in writing that expressly refers to this Agreement and that is signed by both parties.
- E. This Agreement will be binding on and will inure to the benefit of the parties and their respective successors and permitted assigns. Except as provided in this Section, neither this Agreement nor any rights, duties or authority hereunder may be assigned or delegated by either party without the prior consent in writing of the other party. Upon written notice to you, we may assign this Agreement, or assign our rights or delegate our duties under this Agreement, to any of our existing or future corporate affiliates. Upon written notice to us, you may assign your rights to receive commissions on Renewals to any duly licensed insurance producer, and upon receipt of such notice we will pay such commissions to the assignee, subject to our right to set off under Article VIII.B and the assignee's agreement to refund unearned commissions under Article III.A.15, and provided that the conditions of Article IV.A, other than Article IV.A.3, are met with respect to the assignee and such Renewals.
- F. The captions contained in this Agreement are for organizational purposes only and do not constitute a part of this Agreement.
- G. A party's failure to insist upon strict compliance with any of the provisions of this Agreement or the Submission Information will not constitute a continuing waiver of the right to insist upon such compliance.
- H. The rights and remedies of the parties under this Agreement are cumulative and in addition to any rights and remedies available to the parties at law or in equity.
- I. The relationship between the parties is that of independent contractors. You are responsible for the development and execution of your marketing plans, and all other aspects of the operation of your business and

facilities, including, without limitation, hours of operation, advertising, utilities, taxes, hiring, employment and training. Neither party is responsible for the debts and liabilities of the other, and nothing shall be deemed to create or recognize any relationship other than that which is expressly described herein. This is not an exclusive Agreement.

Article XII. Effective Date, Territory, Identifying Information, etc.	
Effective Date: _____	Authorized Insurance Product(s): Professional Liability/Bond
Territory/State: _____	
Insurance Producer Information	Insurance Company Information
Address for Notices: _____ _____ _____ Fax: _____ email: _____	Address for Notices: Corporate Compliance Officer Progressive Casualty Insurance Company 6300 Wilson Mills Road Mayfield Village, OH 44143 Fax: 800-456-6590 email: howard_montgomery@progressive.com
Legal Name: _____ Business Type: _____	Legal Names: Progressive Casualty Insurance Company
Accepted and agreed:	
Insurance Owner or Officer	Insurance Company(ies)
By: _____ (Signature)	By: _____ (Signature)
Name: _____ (Print)	Name: _____ (Print)
Title: _____	Title: _____