



RIVER VALLEY UNDERWRITERS

PREFERRED LIMITED PRODUCERS AGREEMENT

Agreement between _____ of _____
(Name) (Agency or DBA, City, State)

(Hereinafter called Producer) and River Valley Underwriters, Inc. (Hereinafter called R.V.U.) Whereas, R.V.U. desires to make its facilities available to Producer in cases where the terms are mutually agreeable.

Now, therefore, the parties hereto agree as follows:

A. Licensing and Limited Authority

1. The Producer must comply with the licensing laws of the state(s) wherein the Producer resides and produces business, but this agreement shall confer upon the Producer no authority, expressed or implied, to bind or obligate the General Agency, (R.V.U.) in any respect, either as to risks being submitted for consideration or as respects changes in the terms and conditions of any policy or binder issued by R.V.U.
2. The Producer must at all times hold Errors and Omissions policy with a minimum of one million (\$1,000,000) in coverage.
3. The Producer acknowledges that he understands the limitations contained in this agreement and that no insurance submitted for consideration is effective until acceptance is indicated in writing or a policy or binder is issued by R.V.U. unless other arrangements have been made.
4. In the event of unauthorized binder by Producer, Producer agrees to reimburse R.V.U. for all expenses incurred because of unauthorized binding including any attorney fees incurred by R.V.U. in collecting such reimbursements, or in denying liability.

B. Commissions

1. R.V.U. will allow producer commissions at such rates as agreed from time to time by the parties hereto. In the event of return premiums becoming due for any reason whatsoever, Producer shall refund commissions to R.V.U. at the same rate at which commission was originally allowed.
2. It is agreed there will be no commission paid on any policy fees added to policy and in the event of cancellation, the policy fee will be fully earned.

C. Payment of Premium

1. Producer agrees to pay R.V.U. all premiums accruing on insurance written with application no later than fifteen (15) days after the end of the month in which the business was bound. The producer shall be entitled to credit for any cancellations when proof of such cancellations satisfactory to R.V.U., has been furnished to R.V.U.
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, and he shall pay R.V.U. all sums due R.V.U. when due, whether or not he has collected such monies from others who may owe it to him. The producer is responsible for all additional premiums due as a result of audits unless returned to R.V.U. within fifteen (15) days.

D. Territory

1. The Producer shall submit for consideration only risks domiciled in the state(s) where he is licensed and qualified.

E. Cancellation

1. No in force Policy, binder or cover note will be canceled flat, unless at the request of company.
2. Notwithstanding, the return of an original policy, lost policy release or signed request from the insured and mortgagee for cancellation, cancellation will not be effective until sufficient time has elapsed for proper notice to mortgagee, loss payees, certificate holders, public utilities, regulatory bodies, etc., in cases where such notice be required.

F. Notice of Expiration

1. R.V.U. shall be under no obligation to give Producer advance notice of expiration of any policies of insurance which Producer from time to time procures through the facilities of R.V.U. R.V.U. may give Producer advance notice of expiration of said policies, but the failure of R.V.U. to provide such notice shall not render R.V.U. liable to Producer and R.V.U. shall in no way be responsible for failure to notify Producer of the expiration date of any policy of insurance.

G. Premiums Held in Trust

1. All premiums received by producer shall be held in trust for R.V.U. as Trustee until delivered to R.V.U. and the privilege of retaining commission out of such premiums, the keeping of an account with Producer on R.V.U.'s books as a creditor and debtor account, alteration in compensation rate, failure to enforce prompt remittance, compromise, settlement declaration of balance due, shall not change nor be held to waive assertion of such trust relationships.

H. Ownership

1. Both parties to this agreement expressly recognize the independent ownership by the Producer of the insurance business covered by this agreement. In the event it is necessary for R.V.U. to cancel this agreement for violations of its terms by Producer, the Producer relinquishes all rights or claims to subsequent renewals, additional premiums or commission thereon, in so far they may be necessary to satisfy the interests of R.V.U.
2. R.V.U. shall not be responsible for Producer’s expenses of any kind.

I. Limitations of Producer

1. Producer has no authority to handle claims other than notify R.V.U. of their occurrence which Producer undertakes to do immediately upon his/her knowledge of same.
2. No act or statement of Producer shall in any way be binding on R.V.U. or any insurer(s) represented by R.V.U. unless producer shall have first received prior approval from R.V.U. to so act or state.
3. Notice to Producer by Insured of change in risk does not constitute notice to R.V.U. or the insurer(s).
4. Producer is not the employee or authorized representative of R.V.U. or any insurer(s) represented by R.V.U.

J. Producer Warranty

1. Producer warrants that he is properly licensed for the class of business and the coverages of insurance to be produced through the facilities of R.V.U.

K. Producers Identity

1. In the event the Producer under this agreement is a corporation, it is further understood, agreed and guaranteed by the undersigned individual, principal stockholders of said corporation that all conditions of this agreement shall be binding upon them separately and jointly in the same manner as upon the corporation named as Producer.

L. Agreement Cancellation and enforcement

1. This agreement may be canceled at any time by either party hereto, by giving written notice to the other party.
2. Producer agrees to pay all reasonable collection expenses including attorney fees incurred to enforce this agreement.

***** River Valley Underwriters, Inc. shall solely rely on the application and information provided by the producer when procuring any policy of insurance. R.V.U. will only attempt to procure a policy of insurance at the levels with limits requested by the producer. R.V.U. does not make any representation or recommendation to the insured with respect to coverage, limits, legal requirements or carriers.*****

In Compliance with company policy we must have the following information in order to process this agreement: Federal I.D. # or Social Security # (for tax purposes), copy of your current Agent or Brokers license, and copy of your Errors and Omissions Declarations page with policy number and expiration date. Return all documentation with this application. This agreement shall be interpreted in accordance with the laws of the State of Arkansas.

SIGN HERE FOR ACCOUNT CURRENT	
Requires release of credit authorization on producer profile All premiums, fees, & taxes due on the 15th of each month	
Guarantee of Payment	
In consideration of the appointment of the above Agency as “Producer” under foregoing agreement, the undersigned, individually, hereby guarantees the faithful performance of the obligations of the “Producer” under said Agreement, and are firmly bound, jointly and severally, to pay any sum which said “Producer” may become liable to pay under said Agreement or by virtue of the Agency created under said Agreement, and which said “Producer” shall fail or refuse to pay.	
_____	_____
Producer Signature	Date
_____	_____
Name	Title
_____	_____
Witness Signature	Date

SIGN HERE FOR CASH ONLY BASIS	
Requires full payment prior to binding coverage or processing an additional premium endorsement	
In consideration of refusal to sign the Guarantee of Payment it is hereby understood and agreed the "Producer" will be operating with R.V.U. on a cash only basis. It is hereby agreed that in order to transact business the named producer shall forward payment for total premium tax and fee, less your commission of the premium prior to binding, or request for any endorsement generating additional premium, which must be accepted by R.V.U. in advance.	
_____	_____
Producer Signature	Date
_____	_____
Name	Title