INDEPENDENT AGENTS SERVICES, INC. AGENCY CONTRACT

The agreement, made this _______day of __________, 20_____, between Independent Agents Services, Inc. (hereinafter designated as IAS and ______________________________ of ______________________________ in the County of ______________________________ and the state of _______________________. (Hereinafter called the Agent).

WITNESSETH THAT:

IAS hereby grants authority to the Agent to submit for insurance coverage, risks located in Connecticut under the RLI insurance program available through IAS. This authority is subject to laws of the state of Connecticut in which such Agent is authorized to write insurance business and to the terms and conditions hereinafter set forth.

IT IS HEREBY AGREED between IAS and the Agent as follows:

AGENTS RESPONSIBILITIES

The Agent agrees to maintain a Connecticut insurance license for property and casualty insurance and to adhere to the laws and responsibilities that apply. The agent will carry professional liability insurance and supply IAS, Inc. with a certificate of insurance each year showing current coverage and listing IAS, Inc. as certificate holder.

PREMIUM REMITTANCE

It is agreed and understood that all premiums collected by the Agent are held in trust and that such premiums are the property of IAS; that the Agent has no interest in the premiums collected by him and shall make no deductions therefrom before paying same to IAS.

Unless otherwise specified, the gross premium on each policy is due and payable to IAS, by Agency check, with submission of the application.

If the insurance contract negotiated between IAS and the Agent is canceled, the Agent is responsible for any "minimum earned premium" due. "Minimum earned premium" is defined, as the minimum amount owed the insurance company on that policy.

Should the Agent fail to pay IAS any premiums when due, including those incurred by audits or interim reports, then the Agent agrees to bear any collection or other expenses, including reasonable attorney fees and costs, expended by IAS to enforce collection from the Agent to the extent allowed by law. The Agent also agrees to offset any earned premium owed by the Agent to IAS with earned commissions owed to the Agent by IAS.
If the Agent has failed to account for and pay over to IAS immediately upon demand, all premiums for which he may be liable, all records and use and control of expirations shall be vested in IAS and the Agent agrees to execute any documents necessary to formally place the title thereto in IAS. IAS likewise shall have the immediate right thereafter, in its discretion, to sell, transfer, assign or otherwise handle and control the business and expirations covered by this contract to satisfy in whole or in part the obligations of the Agent to IAS.

COMMISSIONS

IAS shall pay commission to the Agent monthly on insurance contracts issued through IAS. IAS shall deduct from each return premium (including cancellations ordered by IAS) a return premium calculated at the same rate as the original commission thereon.

BINDING AUTHORITY

IN NO EVENT MAY THE AGENT BIND IAS ON A RISK.

EXPENSES

IAS shall not be responsible for any expenses of the Agent.

CLAIMS

The Agent agrees to report directly to IAS all claims.

TERMINATION

This agreement will be immediately terminated in the event there has been violation of either IAS's or the Agents' fiduciary responsibility, and/or insolvency, threat of insolvency, fraud, abandonment, willful, gross or negligent misconduct, including termination or suspension of either IAS's or the Agents license.

This agreement will be continuous and may be terminated by either party at any time by 30 days written notice. In the event of termination, the Agents records use and control of expirations shall remain the property of the Agent and shall be left in his possession except as provided under the premium remittance section of this contract.

OWNERSHIP OF EXPIRATIONS

The use control of expirations, and the records thereof, shall remain the undisputed possession and ownership of the Agent, except as provided under the premium remittance section of this contract.
INDEMNIFICATION

The Agent is not an employee of IAS but is an independent contractor.

IAS shall not be liable for the negligent acts of the Agent or his employees or representatives. The Agent shall indemnify and hold harmless IAS from all costs, causes of action and damages suffered by IAS resulting from unauthorized acts or transactions by the Agent, its employees, and/or subagents but only to the extent the Agent could have been legally liable to IAS by statute or common law, for those costs, causes of action, and damages suffered by the company.

AMENDMENTS

All amendments to this agreement, excluding the schedule of commissions, will require the express written consent of both IAS and the Agents.

ARBITRATION

The following procedure will be followed in the event of a disagreement or dispute involving the interpretation of this agreement or the performance or nonperformance of IAS and the Agent.

a) The parties will make every effort to establish a meeting for the purpose of settling unresolved disputes. It is understood that this meeting will be conducted in good faith.

b) If IAS and the Agent are unable to resolve their conflict within fifteen days, the controversy will be resolved by arbitration in accordance with the rules.

c) All unresolved disputes with regard to the conditions of this agreement will be decided by a panel of three disinterested arbitrators. The party who desires arbitration will appoint one disinterested arbitrator and will furnish written notice of the appointment to the other party. Within ten days thereafter the other party will appoint one arbitrator. The two appointed arbitrators will, within fifteen days thereafter, together select a third arbitrator who will be designated as the presiding officer of the panel. If the appointed arbitrators fail or refuse to choose a third arbitrator within thirty days after having been appointed, the third arbitrator will be chosen by a court having jurisdiction of the disputed agreement.

d) The decision of a majority of the panel will be binding on IAS and the Agent without right of appeal, and may be enforced by a court having jurisdiction of this agreement. The determination of the panel must be in writing and bear the signatures of a majority of the arbitrators.

e) Expenses of arbitration will be shared on an equal basis of IAS and the Agent. Arbitrators shall have the right to select one party for a greater amount of the expenses should it be found that the party did not initially offer a good faith to resolve the difference on an informal basis.
DATED AND EFFECTIVE THIS _______________DAY OF______________20___

By:__________________________

Director IAS, Inc.
(Title)

Agent ________________________________

By: ________________________________

__________________________________
(Title)

Federal I.D.# ________________________________
AMENDMENT ONE
HOLD HARMLESS CLAUSE

It is agreed that the RLI will defend and indemnify the agent against liability on renewal of the Personal Umbrella policies, including cost of defense and settlements, imposed by law for damages sustained by policyholders and caused by acts for omissions of RLI due to the failure to properly bill renewal insurance premiums, provided that the agent has not caused or contributed to such liability by his or her own acts or omissions. Nor shall the agent be liable for the negligent acts of IAS or its employees or representatives. The agent agrees, as a condition to such indemnification, to notify RLI promptly of any claim or suit. RLI reserves the right to select any counsel, make any investigation, settlement, or defense as it deems prudent.

Company:
By: ____________________________
George S. Schaad, CPCU
Vice President - National Accounts & Agency Marketing
Attest: __________________________
Dated: 3-29-91
State Assoc:
By: ____________________________
______________________________
Attest: __________________________
Dated: __________________________

Agent:
By: ____________________________
Its
Attest: __________________________
Dated: __________________________
AGENCY DATA SHEET

Agency Name

Address

City/ST/Zip

Phone number

Fax number

RLI contact person

E-Mail Address

Number of Licensed Agents

Agency Principal

PLEASE MAKE ANY COMMENTS OR ASK ANY QUESTIONS YOU MAY HAVE ON THE BOTTOM OF THIS FORM.

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