



Transportation Insurors, Inc.

111 East Main Street · Delphi, IN · (765) 564-2165 · (800) 257-7364 · FAX (765) 564-4919

PRODUCER AGREEMENT

THIS AGREEMENT, made this ____ day of _____, _____ by and between Transportation Insurors, Inc., an Indiana corporation with its office and principal place of business located at 111 East Main Street, Delphi, Indiana, (hereinafter referred to as "Transportation Insurors, Inc.") and

_____ whose office and principal place of business is located at :

_____ (hereinafter referred to as "Producer").

Witnesseth:

Whereas, Producer wants Transportation Insurors, Inc., to place insurance business with and for acceptance by admitted and non-admitted insurance companies in compliance with the laws, rules and regulations pertaining thereto regarding the placement of such business and Transportation Insurors, Inc., is willing to place such business, upon the terms and conditions set forth herein, and

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES SET FORTH HEREIN, IT IS AGREED AS FOLLOWS:

1. Producer will submit business to Transportation Insurors, Inc. in accordance with the Producer Procedure Manual, as amended from time to time, provided by Transportation Insurors, Inc. Producer hereby acknowledges receipt of the aforementioned Producer Procedure Manual.
2. Producer agrees that it will only solicit and submit business from states in which the Producer is duly licensed and authorized by state law to conduct said business.
3. Producer certifies that any business which Producer shall submit to Transportation Insurors, Inc., for placement involving persons or property situated in a State other than that of the Producer's domicile, will if accepted, be effected only in accordance with the laws, rules and regulations governing such placement and not otherwise.

4. Transportation Insurors, Inc. agrees to allow the Producer a commission on such business, if and when placed, in accordance with a commission schedule as shall be agreed upon in writing by the parties from time to time.
5. Producer shall pay Transportation Insurors, Inc. 25% of all premiums on the date the insurance is effective or within 5 days of binding, whichever is earlier, and shall pay the balance within 10 days of invoicing. The foregoing shall not be deemed waived, released, forgiven nor shall it be deemed a new agreement if, for any reason, upon the failure of the Producer to pay the premiums as above set forth, Transportation Insurors, Inc. shall seek to collect the same from the insured, it being agreed that under such circumstances, Transportation Insurors, Inc. shall be acting in all respects as attorney-in-fact for the Producer, which relationship shall be deemed to be a consideration for entering this Agreement on the part of Transportation Insurors, Inc.
6. If Producer shall extend credit to the insured, it shall be at Producer's sole risk and premiums shall be paid to Transportation Insurors, Inc. by Producer when due, whether or not Producer has extended credit to the insured. Transportation Insurors, Inc. shall not be liable for any expenses incurred by Producer in connection with any transaction submitted by Producer. Any and all such expenses shall be Producer's sole responsibility.
7. Producer shall ratably refund and pay to Transportation Insurors, Inc. commissions, at the same rate at which such commissions were originally allowed Producer, on all business placed with Transportation Insurors, Inc. that is or becomes cancelled business or business subject to reduced premiums. Such refunds shall be paid to Transportation Insurors, Inc. within 30 days after producer is advised of the cancellation or reduction adjustment.
8. All business produced by Producer shall be coded or otherwise identified to indicate its source of production; all such business shall be the property of Producer. Notwithstanding the immediately preceding sentence, all files and records, including the expiration data, in connection with the business, shall be the exclusive property of Transportation Insurors, Inc. and shall continue to be so after the termination of the Agreement, however caused. The Producer hereby waives and releases all claims of right or ownership thereto and covenants that the Producer shall not make or retain any such claims.
9. The parties agree that in the event of termination of this Agreement, Producer shall account for and pay over all premiums for which Producer is or may be liable.
10. All insurance issued by Transportation Insurors, Inc. on behalf of the Producer to insureds is not subject to flat cancellation except prior to inception when the initial payment of premiums has not been timely made. All cancellations, however, at the request of the underwriters or insurance companies, or otherwise, will be on a pro-rata basis and subject to a ten (10) day written notice as provided by law.

11. Unless otherwise agreed to in writing, Producer shall be responsible for any and all applicable taxes, including but not limited to Surplus Lines taxes, due and payable in the State in which coverage is written.
12. In no event or under any circumstance whatsoever shall this Agreement be interpreted or construed to the effect that Producer may bind Transportation Insurors, Inc. or any company or underwriter represented by Transportation Insurors, Inc. Producer shall not use Transportation Insurors, Inc.'s name or any of Transportation Insurors, Inc. trademarks as part of its firm, trade or corporate name without the express written consent of Transportation Insurors, Inc. Producer shall not accept service of any legal process in any action which may be brought against Transportation Insurors, Inc. or employ attorneys to defend such.
13. Producer recognizes that it has a fiduciary obligation to Transportation Insurors, Inc. in its dealings with the other producers of Transportation Insurors, Inc. Producer shall act in good faith and with respect for and trust in the other Transportation Insurors, Inc. producers.
14. Producer agrees that during the term of this Agreement and for a period of two (2) years thereafter that Producer will not solicit, engage or participate in, or become affiliated with, as officer, director, major shareholder, partner, employee, consultant or otherwise, any company or underwriter represented by Transportation Insurors, Inc.; provided, however, that this restrictive covenant shall not bar Producer from owning not more than 1% of the outstanding shares of any class of capital stock which is listed for trading on any recognized exchange or is publicly traded through the NASDAQ systems. Producer understands the unique nature of his/her obligations under this provision and acknowledges that breach of this provision may cause Transportation Insurors, Inc. irreparable harm not susceptible to remedy by an award of money damages. Producer agrees that the constraints imposed by this provision are reasonable, necessary, and proportionate to Transportation Insurors, Inc.'s legitimate interest in protection of its assets including its business relationships with underwriters and other companies represented by Transportation Insurors, Inc. Accordingly, Producer agrees that in the event of a breach by Producer of this provision, Transportation Insurors, Inc. shall be entitled, in addition to any other remedy available to it, to injunctive relief, without the necessity of demonstrating economic loss, in order to enforce said obligations.
15. This Agreement may be terminated at any time by either party, upon thirty (30) days written notice to the other party, sent by facsimile, or Registered or Certified Mail, Return Receipt Requested. Such termination, however, shall in no event affect the respective rights or liabilities of either party accruing up to the date of termination.
16. Producer warrants and represents to Transportation Insurors, Inc. that the Producer now has in force and affects a valid and binding contract of liability insurance covering Producer for damages occasioned by errors or omissions

alleged to have been caused by the Producer. Said contract is written with _____, which insurer has its home office at _____, and said contract or policy was issued on _____, 20_____. Producer further warrants and represents that (i) the premium for said contract or policy has been fully paid, (ii) that Producer shall keep such policy, or one similar thereto, in full force and effect at all times during the term of this Agreement, and (iii) the limit of such policy shall not be less than \$ _____ at any time during the term of this Agreement.

17. Producer warrants and represents to Transportation Insurors, Inc. that Producer is fully and properly licensed pursuant to applicable law and has all power and authority to perform Producer's obligations hereunder.
18. Producer hereby agrees to indemnify and hold harmless Transportation Insurors, Inc. and its successors and assigns from and against any and all losses, claims, costs, damages, liabilities and expenses, including, without limitation, reasonable attorneys' fees and all expenses of litigation or preparation therefore, which Transportation Insurors, Inc. or its successors or assigns may pay or incur in connection with or arising out of the action or inaction of Producer or its agents, or of Producer's successors and assigns.
19. This Agreement will not be assigned without the written consent of the other party. Any assignment in compliance with this Section will be binding on the parties and the parties' assigns and successors in interest.
20. It is specifically understood and agreed that notwithstanding anything to the contrary herein set forth, this Agreement shall not be interpreted or construed so as to:
 - (a) prevent the Producer from executing other similar agreements with competitive agents;
 - (b) compel Transportation Insurors, Inc. to accept or place all or any of the business offered to it by the Producer.
21. The Agreement may not be changed or modified except in writing signed by the parties hereto.
22. Both parties acknowledge that they may have access to and receive disclosure of certain confidential or proprietary information about each other, including marketing philosophies and objectives, competitive advantages and disadvantages, financial results, technological developments, names, addresses, telephone numbers and related information ("Confidential Information"). Each party shall protect and preserve the confidential and proprietary nature of all Confidential Information of the other party in its possession and shall promptly notify the other party of any loss or misplacement of any Confidential Information. Except as provided in or as reasonably required by this Agreement, neither party shall, directly or indirectly, disclose, give, sell or otherwise transfer or make

available to any third party, or use for any purpose other than as expressly provided in this Agreement, or make any copies of, the other party's Confidential Information. Notwithstanding the foregoing, "Confidential Information" shall not include:

- (a) any information that is or becomes generally available to the public other than as a result of breach of this Agreement by the disclosing party, or
- (b) any information that is lawfully obtained by the disclosing party from a third party with the right to disclose such information.

23. The parties hereto agree that this Agreement shall not become effective until accepted by Transportation Insurors, Inc., and, when accepted, shall supersede all previous Producer Agreements, whether oral or written, between the parties; and agree that this Agreement contains all contractual arrangements existing between them relative to the Producer relationship, and all other written or oral arrangements are deemed to be merged herein.
24. In no event shall either party be liable to the other for any speculative, indirect, special, punitive or consequential damages, including but not limited to lost profits or lost revenue, even if advised in advance of the possibility of such damages, in connection with performance under this Agreement.
25. The waiver by either party of a breach of or a default under any provision of this Agreement shall not be construed as a waiver of any subsequent breach of or default under the same or any other provision of this Agreement, nor shall any delay or omission on the part of either party to exercise or avail itself of any right or remedy operate as a waiver of any such right or remedy.
26. The parties agree that this Agreement is deemed made and entered into in the State of Indiana and this Agreement shall be interpreted and enforced in accordance with the laws of the State of Indiana. Jurisdiction and venue for litigation of any dispute, controversy, or claim arising out of or in connection with this Agreement shall lie exclusively in the state courts in Tippecanoe County, Indiana, and the parties hereby consent to service of process from said courts. If enforcement action is taken to enforce any term of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney fees, including attorney fees incurred at trial, on appeal and review, or incurred without actions, suits or proceedings, together with all costs and expenses incurred in pursuit hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

PRODUCER: _____

By: _____ Title: _____

Producer Federal I.D. Number _____

Phone Number: _____

Fax Number: _____

E-Mail Address: _____

TRANSPORTATION INSURORS, INC.

By: _____ Title: _____

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