

***Welcome to CAIS!!***

We are thrilled to be teaming up with Allstate as a Commercial Expanded Market Partner to serve the alternate insurance placement needs of the exceptional Allstate Agency force.

**Agency History:** Our organization began over 15 years ago as a highly specialized retailer for community association insurance. We continue to grow via a “specialization” or “niche market” approach. We find unique and often underserved markets and develop programs to serve their specific needs. Our Corporate Headquarters and Customer Service Center is in El Dorado Hills, CA, a suburb of Sacramento located 25 miles east of downtown at the foot of the Sierras.

**Programs:** The programs we currently offer to the Allstate agent force include: Community Association packages and all supporting lines (including umbrella, Directors & Officers, bond, and workers’ compensation), DIC/Earthquake, and Contractors general liability and all supporting lines (including umbrella, workers’ compensation, and more).

Our fully automated quote, bind & issue platform, [www.MGALive.com](http://www.MGALive.com), currently offers Community Association workers’ compensation available in 40 states as well as an Artisan Contractor program available in California. Be sure to check back frequently, as we are constantly adding new programs and new states.

**Become a “Partner” with CAIS:** Participation in the Allstate Commercial Expanded Market Partner program requires a few simple steps before you can begin submitting to our facility.

Print and sign our attached *Independent Producer Agreement* and return it to our office along with the following items:

- ◆ Resident State Insurance License
- ◆ E&O Policy Declaration page
- ◆ Broker Bond (for California agents)
- ◆ “Certificate of Completion” from required Allstate LRN course

Feel free to scan/email, fax, or send via US mail the items listed above, and we will return an executed copy of the agreement to the address listed on your contract for your records.

**Email to:** [christine@caislive.com](mailto:christine@caislive.com)  
**Fax to:** 916-235-7348  
**Mail to:** 5045 Robert J Mathews Pkwy, Suite 100  
El Dorado Hills, CA 95762

A few items to pay special attention to in our *Independent Producer Contract* include Section 5, “Limitation of Authority” and “Schedule 2 - Compensation”.

*Section 5, "Limitation of Authority"* item (e) mentions the restriction on altering any correspondence that CAIS sends to you for our mutual clients. The intent of this restriction is to protect us *BOTH* from our competitors. Due to the sensitive nature of our agreement with some of our carriers, this is an item that can result in "termination for cause" if violated by any producer.

*"Schedule 2 – Compensation"*. We simply pay you 40% of all commission income generated by any account you place with us without regard to the variety of commission levels paid to our agency by our carriers. Commission does not include all invoiced items such as taxes and fees etc. as not all items are "commissionable" to us.

Even more exciting, now accounts in designated programs placed through our fully automated platform, [www.MGALive.com](http://www.MGALive.com), are paid at 9% of gross premium!

**Let's get started:** You can visit our website at [www.MGALive.com](http://www.MGALive.com) for program information and to download application packages. Once your appointment is completed, you will be assigned a UserID and Password to access the fully automated quote, bind & issue platform portion of the website. New programs are being added all the time, so check back often.

Thanks again for your interest in our program. Should you have questions regarding any of the information in this letter or the attached agreement, please do not hesitate to call us at 888-833-4158.

We look forward to working with you!



Garth M. Leone  
Managing Member



Anthony V. Nola  
Managing Member

## INDEPENDENT PRODUCER AGREEMENT (ALLSTATE)

**Section 1. Parties and Effective Date.** This Producer Agreement (this “**Agreement**”) is made between Community Association Insurance Solutions, LLC, a California corporation, with offices at 5045 Robert J. Mathews Parkway, Suite 100, El Dorado Hills, California 95762 (“**CAIS**”), and the party named as Producer on *Schedule 1*, attached hereto (“**Producer**”), and shall be effective on the date of the signature of the last party to sign this Agreement.

**Section 2. CAIS Capacity.** The parties acknowledge that CAIS acts as an insurance agent and broker for and on behalf of one or more insurance carriers (“**Carriers**”) with respect to the placement and administration of various insurance policies (“**Policies**”) to eligible, qualified and approved applicants.

**Section 3. Producer License.** With respect to all jurisdictions in which Producer conducts its business and which require by rule or applicable law that Producer be duly licensed, authorized or qualified as an insurance agent, agency, in order to lawfully transact insurance business as contemplated by this Agreement, Producer represents and warrants to CAIS: (a) that it is so duly licensed, authorized and qualified; (b) that it will maintain such license or licenses, authority, and qualifications in active status and in good standing at all times this Agreement is in effect; and (c) that such licenses, authority, and qualifications authorize Producer to transact insurance business as contemplated herein in all such jurisdictions. The authority granted by CAIS to Producer under **Section 4** of this Agreement shall only be effective in such jurisdictions where Producer is duly licensed, authorized, in good standing, and qualified by the appropriate regulatory agencies or governmental authorities.

**Section 4. Duties/Authority.** Upon execution hereof by the parties and continuing so long as this Agreement is in effect, CAIS authorizes Producer and producer agrees to: (a) solicit applications for Policies and submit the application to CAIS for consideration; (b) collect initial required premiums, if any, on such Policies and remit the premiums to CAIS at the time of submission, or binding of the application. Any such premiums received by Producer shall be held in trust for the account of CAIS and its Carriers; and (c) if requested by CAIS, deliver issued Policies and related materials to accepted applicants (“**Policyholders**”).

**Section 5. Limitation of Authority.** It is understood and agreed that Producer and its employees, agents and representatives shall have no authority to, and shall not under any circumstances:

- (a) Approve applications for Policies;
- (b) Evaluate or accept risks for or on behalf of CAIS or its Carriers;
- (c) Pass upon the insurability of applicants or prospective Policyholders;
- (d) Act for, speak for, or bind CAIS or its Carriers in any way;

(e) Make, alter, waive, amend, or modify in whole or in part any Policy or any application, proposals, quotations, correspondence, offers, other related materials, or waive, release, compromise or

settle any of CAIS's or its Carriers' respective rights, remedies, conditions, limitations, exclusions or requirements thereunder;

(f) Collect or receive premiums or renewal premiums on Policies other than the premium required at the time of initial application and/ or binding;

(g) Endorse, cash, negotiate, or deposit any checks or drafts payable to CAIS or its Carriers;

(h) Open any bank account or trust account on behalf of, for the benefit of, or containing the name of CAIS or its Carriers or any derivative thereof;

(i) Advertise or publish any matter or thing which uses any of the names, product names, trademarks, service marks, registered marks, designs or logos of CAIS, its Carriers or their respective subsidiaries, affiliates or related companies without the express prior written consent of CAIS or its affected Carriers, which may be granted or withheld in CAIS's, or its Carriers' sole discretion, as the case may be;

(j) Directly or indirectly induce, cause, or endeavor to induce or cause any Agent, General Agent, Managing General Agent or other producer or broker under a separate contract with CAIS to terminate, default under, breach, or alter its contract with CAIS;

(k) Induce, cause or endeavor to induce or cause any Policyholder to cancel, replace or lapse a Policy; or

(l) Do or perform any other act or thing relating to the Policies, premiums or applications except as expressly authorized herein.

**Section 6. Relationship.** The parties agree that Producer acts hereunder solely as an independent contractor and for its own account, and this Agreement does not create and shall not be deemed or construed to create an employer-employee, principal-agent, master-servant, partnership, representative, profit-sharing, or joint venture relationship of any kind between or among Producer or any "Sub-Producer" (as defined in **Section 8**, below) and CAIS or its Carriers. All acts, omissions and statements made or undertaken by Producer in pursuit of the authorities granted herein are made and undertaken by Producer for its own account, as agent and representative of the applicant, prospective applicant, or Policyholder, or any combination thereof.

**Section 7. Reciprocal Indemnity.** Producer agrees to indemnify and hold CAIS harmless from any and all claims, penalties, fines, actions, losses, damages, costs and expenses, including attorneys' fees (collectively, "**Claims**"), to the extent allowed by applicable law, incurred or suffered by or assessed against CAIS arising out of or resulting from any act, misrepresentation, error or omission made in connection with the performance of this Agreement, or any default or breach by Producer hereunder. CAIS agrees to indemnify and hold Producer harmless from any and all Claims incurred or suffered by or assessed against Producer arising out of or resulting from any default or breach by CAIS under this Agreement.

**Section 8. Errors and Omissions Insurance.** At all times during which this Agreement is in force, Producer agrees to maintain, at its own expense, errors and omissions insurance covering itself and its agents ("**Sub-Producers**"), issued by an insurance carrier reasonably acceptable to CAIS. Such

insurance shall be written on an occurrence basis in an amount not less than \$1,000,000 per occurrence and \$1,000,000 annual aggregate. A copy of such policy shall be furnished to CAIS upon execution of this Agreement. Producer further agrees to provide CAIS immediate Notice, as defined in **Section 16.L** of this Agreement, in the event such insurance is cancelled. In the event that Producer fails to maintain such errors and omissions insurance, CAIS shall have the right to obtain such insurance coverage itself and thereafter charge Producer for the cost and expense of obtaining such insurance coverage.

**Section 9. Service.** Producer agrees to become familiar with the terms, conditions, limits, exclusions and benefits (“**Terms**”) of each Policy for which Producer solicits applications under this Agreement, as such Policies may be amended or modified from time to time by CAIS and its Carriers, and to represent and disclose such Terms completely, truthfully and accurately to all applicants, prospective applicants, and Policyholders.

**Section 10. Compliance.** Producer agrees to abide by CAIS’s reasonable administrative procedures and guidelines delivered to Producer by Notice as provided for in **Section 16.L** of this Agreement, from time to time. Producer will comply with all laws and regulations imposed by applicable regulatory and governmental authorities; will promptly notify CAIS of any complaints, lawsuits, orders, administrative proceedings, licensure matters and other inquiries received from such authorities or from Policyholders relating to applications solicited, Policies, or both, placed by or through Producer under this Agreement; and will cooperate with CAIS in making timely and appropriate responses.

**Section 11. Compensation.** CAIS will pay commissions to Producer according to the compensation schedules (the “**Compensation Schedules**”), as provided in the attached **Schedule 2**, for Policies issued on applications solicited and submitted by Producer under this Agreement and accepted by CAIS and its Carrier, which commissions will be payment in full for all services performed and expenses incurred by Producer. In the event that any such Policy or Policies are subsequently rescinded, replaced or cancelled and premiums previously paid are refunded, within fifteen (15) days of Notice (as defined in **Section 16.L**) from CAIS to Producer, an amount equal to any commissions previously paid or credited to Producer on such refunded premiums will be repaid or re-credited to CAIS by Producer (“**Reimbursement**”). CAIS reserves the right to collect such Reimbursement by either of the following two methods, at the sole discretion of CAIS: (a) by set-off of amounts then or subsequently due to Producer, or (b) by request for direct payment from Producer to CAIS. CAIS reserves the right to accrue and defer, on an annual basis, payment of commissions until a minimum of Two Hundred Fifty Dollars (\$250.00) becomes due, and to modify or amend the Compensation Schedules in its sole discretion at any time and from time to time upon ten (10) days advance Notice to Producer, whereupon the modified or amended Compensation Schedules will supercede and replace any prior Compensation Schedule and will then be controlling under this Agreement. However, such modification or amendment will apply exclusively to Policies for which CAIS or its Carriers have not yet accepted premiums, except that if a Carrier reduces the commission due to CAIS for a policy for which premiums have been accepted, Producer’s commission will be reduced by an amount proportional to the amount of reduction by such Carrier. Producer shall not charge or add on any fees or seek compensation or reimbursement from applicants or Policyholders, except as provided in the Agreement or authorized in writing by CAIS.

**Section 12. Accounting.** CAIS will provide Producer monthly statements of commissions payable hereunder, which statements will be considered prima facie correct and accepted by Producer and shall be final and binding unless CAIS receives written objection thereto within thirty (30) days of mailing same to Producer’s last known address. If CAIS or its Carriers cancels, rescinds or terminates a Policy and refunds premiums previously paid, any commissions previously paid or credited to Producer

on the amount refunded will be repaid or re-credited to CAIS by Producer, or may be deducted or offset by CAIS against any amounts owed or commissions thereafter payable to Producer as provided in **Section 11** of this Agreement.

**Section 13. Adequate Books and Records.** Producer agrees to maintain adequate books and records concerning the services provided hereunder in accordance with prudent standards of insurance record keeping. In no event shall such books and records be maintained for a shorter period than required by CAIS. Producer further agrees to maintain such books and records for a period of at least five (5) years, or any period prescribed by applicable law or regulation, which ever is greater, after termination of any Policy written under this Agreement. CAIS shall have the right to inspect such books and records and perform an audit of Producer during normal business hours while this Agreement is in force. Access for CAIS to such books and records shall be promptly arranged by Producer upon termination of this Agreement, and in no event shall such access be delayed for more than ten (10) business days following termination of this Agreement. Producer agrees that such books and records are to be kept confidential and will not be disclosed without the prior written consent of CAIS.

**Section 14. Termination.**

**A.** This Agreement and the authority granted to Producer hereunder will terminate:

**1.** For cause, immediately upon Notice, as defined in **Section 16.L** of this Agreement, by CAIS to Producer, if:

(i) Producer or any of Producer's employees, agents, or representatives misappropriates funds from any applicant or Policyholder or from CAIS or its Carriers;

(ii) Producer or any of Producer's employees, agents, or representatives breaches the provisions of **Section 5** of this Agreement;

(iii) Producer or any of Producer's employees, agents, or representatives interferes with the collection of renewal premiums;

(iv) Producer or any of Producer's employees, agents, or representatives engages in any fraudulent, dishonest, defamatory, deceptive or unlawful act or omission which could or tends to negatively impair the reputation or goodwill of CAIS or its Carriers;

(v) Producer is unable or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors;

(vi) Producer applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of Producer, and the appointment continues undischarged or unstayed for thirty (30) days;

(vii) Producer institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceedings under the Federal Bankruptcy Code or the Laws of any jurisdiction; or any similar proceeding is instituted without the consent of Producer, and continues undismissed or unstayed for sixty (60) days; or

(vi) materially breaches or defaults hereunder, or otherwise acts or fails to act in a manner which could or does prejudice materially the rights or interests of CAIS or its Carriers;

2. On the date that Producer, CAIS or its Carriers ceases ongoing business operations, is liquidated or dissolved, or is otherwise adjudged by regulatory or judicial authorities to no longer be a validly existing or legally operating entity; or

3. In the event of any order of suspension, revocation or termination of Producer's, CAIS's or its Carriers respective license, or any order to cease or desist business operations hereunder.

4. In the event that Producer is terminated for cause as described above, Producer shall not be entitled to receive any further commissions or compensation under this Agreement.

5. If this Agreement is terminated for reasons other than cause, than the Producer shall be entitled to receive renewal commissions for one (1) renewal period only. In the event that the Master Broker Agreement with Allstate is terminated, CAIS may, in its sole discretion, terminate this Agreement. In such event, the Producer shall be entitled to receive renewal commissions for one (1) renewal period only.

**B.** Notwithstanding the foregoing, this Agreement may be terminated by either party, for any or no reason, with or without cause, by giving the other party at least thirty (30) days advance Notice, as defined in **Section 16.L** of this Agreement. Upon termination of this Agreement, any indebtedness, other than commissions to be paid to Producer, then owed by either party to the other will become immediately due and payable; provided, however, that if this Agreement is terminated by CAIS under **Sections 14.A.1**, regardless of what the Compensation Schedules might provide, no compensation of any kind shall thereafter be payable to Producer by CAIS with respect to premiums received thereafter, including compensation that would otherwise be considered earned under **Section 11** of this Agreement.

## **Section 15. Ownership of Business; Return of Materials.**

**A.** Producer and CAIS agree that at all times CAIS shall own all rights to the business represented by Policies and accounts generated under this Agreement or placed by CAIS, except that Producer shall have the right to commissions as provided by this Agreement. Producer may, upon prior written consent by CAIS, which consent shall not be unreasonably withheld, assign its rights to the payment of commissions under this Agreement, subject to the following conditions.

(1) The assignment must be in writing, in a form acceptable to CAIS and irrevocable;

(2) The terms of the assignment must, at the sole discretion of CAIS, and as determined by CAIS, not prejudice the interests of CAIS, and must be subject to the rights and obligations of Producer and CAIS as established under this Agreement; and

(3) Producer must not be in default under this Agreement at the time of such assignment

**B.** Producer will treat as trade secrets any and all information concerning clients of CAIS or its business, products, techniques, methods, systems, plans, and policies; and Producer will not during the term of this Agreement or at anytime thereafter, disclose such information, in whole or in part, to any person, firm, or business entity, except to perform its obligations under this Agreement. Upon request by CAIS, Producer shall immediately return or deliver to CAIS, all application forms, documents, data, information, correspondence, customer or prospective customer lists obtained from CAIS, brochures, marketing, sales, promotional and advertising materials, and all other materials and supplies furnished to Producer by CAIS or its subsidiaries, Carriers, affiliates, or related companies.

#### **Section 16. Miscellaneous.**

**A. Assignment.** This Agreement shall not be assigned or transferred in whole or in part by Producer, nor shall any of Producer's rights, duties or obligations hereunder be assigned or delegated to any third party, without the express prior written consent of CAIS.

**B. Amendment.** Subject to the provisions of **Section 11**, above, regarding CAIS's right to modify or amend Compensation Schedules upon Notice, no amendment or modification of this Agreement will be valid or enforceable unless signed by both parties.

**C. Attorneys' Fees.** In the event suit is brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees.

**D. Counterparts.** This Agreement may be executed in one or more counterparts, each of which is deemed an original, and all of which together constitute a single agreement.

**E. Gender, Singular, Plural.** Plural terms used herein shall include the singular, and neuter terms shall include the masculine and feminine, as the context may require.

**F. Survival Upon Termination.** The provisions of **Section 6, 7, 11, 13, 14, and 15** herein shall survive the termination of this Agreement.

**G. Severability.** If a court of competent jurisdiction deems any term, provision, or condition of this Agreement invalid or unenforceable, the same shall be deemed severable from this Agreement. However, the remainder of the terms, provisions, and conditions of this Agreement shall remain in full force and effect, and in no way shall be affected, impaired or invalidated as a result of such decision.

**H. Waiver of Breach.** Waiver of a breach of any provision of this Agreement shall not constitute a waiver of any other breach of the same or any other provision.

**I. Entire Agreement.** This Agreement, together with the attached **Schedule 1** and **Schedule 2** supersedes all previous agreements between the parties, if any, and constitutes the entire agreement between the parties concerning the subject matter of this Agreement.



**Schedule 1: W-9**

Form **W-9**  
 (Rev. October 2007)  
 Department of the Treasury  
 Internal Revenue Service

**Request for Taxpayer  
 Identification Number and Certification**

**Give form to the  
 requester. Do not  
 send to the IRS.**

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return)	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ..... <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
or
Employer identification number

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,



**SCHEDULE 2**  
**Compensation Schedule**

Commissions and renewal commissions are paid on Policies placed in force under this Producer Agreement during the effectiveness of this Schedule, and may be reduced by the amount of any commissions, override commissions, or other compensation, which CAIS pays directly to Sub-Producers or their executors, administrators, surviving spouses, or estates.

	<b>NEW</b>	<b>RENEWAL</b>
<b>Artisan Contractor General Liability Program</b> <i>(policies bound <b>exclusively</b> via online platform, MGALive.com)</i>	9% of gross premium, excluding applicable taxes and fees	9% of gross premium, excluding applicable taxes and fees
<b>HOA Workers' Compensation Program</b> <i>(policies bound <b>exclusively</b> via online platform, MGALive.com)</i>	9% of gross premium, excluding applicable taxes and fees	9% of gross premium, excluding applicable taxes and fees
<b>All other programs</b> <i>(including policies bound via brokered marketplace or online platform)</i>	40% of commission received by CAIS from Carriers, excluding applicable taxes and fees	40% of commission received by CAIS from Carriers, excluding applicable taxes and fees