

## ***Welcome to CAIS!!***

### **About Us**

CAIS opened its doors in 1999 as a specialty retailer in the community association niche market. As a leading agency in community association insurance, CAIS insured over 450 associations.

In 2005, CAIS shifted its focus as a retailer to a wholesaler upon earning a Commercial Expanded Market Partner appointment with Allstate Insurance offering Community Association products in California. Our relationship with Allstate has grown to encompass multiple product offerings in 9 states. In addition to our relationship with Allstate, CAIS offers various products nationally to the independent agency distribution system. CAIS currently provides insurance products through more than 1,000 agencies in over 40 states.

The 2008 launch of the fully automated website, *MGA*live.com, has heralded a new era at CAIS as a General Agency and National Program Administrator. CAIS now offers automated product placement for Community Associations, Workers' Compensation, Inland Marine, and Construction related risks.

### **How to Become a “Partner” with CAIS:**

Print and sign the attached *Producer Questionnaire, W-9, and Independent Producer Agreement*, and return it to our office along with the following items:

- ◆ Copy of your resident state insurance license
- ◆ Current E&O policy declaration page
- ◆ Copy of your broker bond (if required by your state)

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.

E-mail: [arleen@caislive.com](mailto:arleen@caislive.com)  
Fax: (916) 235-7339 or (916) 939-9961  
Mail: 5045 Robert J Mathews Pkwy, Suite 100  
El Dorado Hills, CA 95762

Thanks again for your interest in our programs. Should you have questions regarding any of the information in this letter or the attached agreement, please do not hesitate to call Arleen Forbes, at (888) 833-4158 x109.

For additional information about our agency, product offerings and to download program applications, please visit our website at [www.MGA.live.com](http://www.MGA.live.com).

We look forward to working with you!

**AGENCY QUESTIONNAIRE**

**GENERAL INFORMATION**

Agency Operating Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Agency Website: \_\_\_\_\_

Type of Organization:  Corporation  LLC  Partnership  Individual

Other: \_\_\_\_\_

Agency Federal Tax ID #: \_\_\_\_\_ When was current ownership established?: \_\_\_\_\_

If established within the past 5 years, list any previous entities merged into or acquired by the present ownership: \_\_\_\_\_

Is the agency owned by, affiliated with, or controlled by any other business interest?  Yes  No

If yes, please explain: \_\_\_\_\_

Does your agency operate in states other than the state listed above?  Yes  No

If yes, please list: \_\_\_\_\_

**AGENCY PERSONNEL & BACKGROUND**

Who is the Accounting/Administrative contact for the agency: \_\_\_\_\_

Breakdown of agency's total staff (including part time):

Total Staff: \_\_\_\_\_

Principals, Partners, Directors, Officers, Managers: \_\_\_\_\_

Producers, Sales/Marketing, Brokers, Account Executives: \_\_\_\_\_

Account Managers, CSR's: \_\_\_\_\_

Please list Principals'/Agency Management below:

Name	Title	Years in Insurance
_____	_____	_____
_____	_____	_____
_____	_____	_____

**AGENCY PRODUCTION INFORMATION –**

Does your agency specialize in a niche market?  Yes  No

If yes,  HOA  Contractors  Other (describe): \_\_\_\_\_

What is your agencies greatest product need at this time? \_\_\_\_\_

How did you find out about our agency?

Searched Online  Email  Marketing Call  Referred by \_\_\_\_\_

Why did you decide to sign up with us? \_\_\_\_\_

**Premium Distribution – Annualized**

	<b>Annual Premium</b>	<b>Top 3 Carriers Utilized</b>	<b>Loss Ratio</b>
Commercial Lines – Direct Appt.			
Small / Select			
Middle Market			
Large Accounts			
Workers’ Compensation			
Commercial Lines – Program/Wholesale			
Specialty Program			
Wholesale Non-Standard (E&S)			
Wholesale Standard			
Personal Lines			
<b>Total</b>			

***Please submit the following with your signed agreement:***

1. Copy of current declaration page - Agency Errors and Omissions Insurance
2. Copies of P&C Licenses for each state of operation
3. Copy of current declaration page – Broker/Fidelity Bond

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

**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.

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

Social security number
or
Employer identification number

**Part II Certification**

Under penalties of perjury, I certify that:

- 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
- 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
- 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:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- 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,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name” line.

**Limited liability company (LLC).** Check the “Limited liability company” box only and enter the appropriate code for the tax classification (“D” for disregarded entity, “C” for corporation, “P” for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner’s name on the “Name” line. Enter the LLC’s name on the “Business name” line.

For an LLC classified as a partnership or a corporation, enter the LLC’s name on the “Name” line and any business, trade, or DBA name on the “Business name” line.

**Other entities.** Enter your business name as shown on required federal tax documents on the “Name” line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the “Business name” line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the “Exempt payee” box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 7

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or 1-877-IDTHEFT(438-4338).

Visit the IRS website at [www.irs.gov](http://www.irs.gov) to learn more about identity theft and how to reduce your risk.

### What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

## INDEPENDENT PRODUCER AGREEMENT

**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 5** 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. Upon request, Producer shall provide CAIS with a true and correct copy of the Producer’s current state insurance license.

**Section 4. Diligent Search.** Producer agrees to comply with any diligent search reporting, or equivalent, for jurisdictions in which Producer conducts its business.

**Section 5. 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;
- (c) retain from premiums received, except on direct-billed business, an amount equal to the commissions payable to Producer as set forth in the attached *Schedule 2*;
- (d) if requested by CAIS, deliver issued Policies and related materials to accepted applicants (“**Policyholders**”);
- (e) remit to CAIS, not later than 20 days after statement date on biweekly statement rendered by CAIS, all premium due CAIS for business in which statement is rendered, net of return premiums

and commissions. Failure to do so by the Producer shall immediately suspend this Agreement and incur interest charges calculated as service charges for the extra expenses to CAIS at a rate of 1% monthly with a minimum service charge of one month. This does not include direct bill premiums, if any. The Producer shall not be entitled to credit for any cancellation until proof of such cancellation satisfactory to CAIS shall have been furnished to CAIS;

(f) remit, as instructed by CAIS, any return premiums arising out of changes, cancellations or terminations of coverage; Producer shall be responsible for return of Producer's commissions on any return premium;

(g) report all loss claims to CAIS in writing, as promptly as possible and, in any event, not later than the second business day after such claims are received by Producer;

(h) maintain all premium funds in fiduciary trust accounts as trustee for CAIS until delivered to CAIS or its authorized representative, permitting withdrawal only for (i) payment of net premiums to CAIS; (ii) payment of return premiums to policyholders, but only to the extent that the premiums as to which return is required are still part of the trust accounts so maintained; and (iii) payment of commissions to Producer, but only to the extent that the premiums as to which commissions are payable have been fully paid;

(i) be responsible for collection of all premiums whether or not paid to the Producer by the Policyholder;

**Section 6. 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 7. 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 9**, 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 8. 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, 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 producer 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 CAIS hereunder.

**Section 9. 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 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 17.M** 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 10. 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 11. Compliance.** Producer agrees to abide by CAIS's reasonable administrative procedures and guidelines delivered to Producer by Notice as provided for in **Section 17.M** 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. Producer also agrees to use CAIS' automated systems only in compliance with applicable federal and/or state laws and regulations, and to adhere to CAIS' technology, security and privacy policies.

**Section 12. Production Expectation.** CAIS does not place a premium requirement on our Producers, though we do incur costs to educate, train, process and activate a Producer's ability to transact with us. In order to recoup a portion of that expense, we do charge a small annual access fee (approximately \$250) for "non-producing" Producers. To avoid being charged this access fee, the only requirement is the binding of one new business policy with CAIS per year.

**Section 13. 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 17.M**) 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 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 supersede 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.

**Section 14. 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 12** of this Agreement.

**Section 15. 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 16. Termination.**

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

**1.** For cause, immediately upon Notice, as defined in **Section 17.M** 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 6** 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.

**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 17.M** 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 15.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 12** of this Agreement.

## **Section 16. Ownership of Business**

**A.** Producer owns and controls the expirations of policies written through CAIS. If Producer has not properly accounted for and paid to CAIS all premiums and other sums due in accordance with the terms of this Agreement, then records, use and control of Producer's expirations shall be vested in CAIS with right of sale. Commissions, if any, received by CAIS from such expirations, less applicable expenses, will be credited against balances due CAIS from Producer.

**B.** CAIS shall be under no obligation to furnish Producer with advance notice of expiration of any policies written by Producer through CAIS. CAIS may furnish Producer with advanced notice of expiration of said policies, but the failure of CAIS to provide such notices shall not render CAIS liable to Producer.

**C.** Records of business placed by Producer with CAIS shall not be used to solicit individual policyholders for the sale of other lines of insurance or other products or services.

**Section 17. 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 12**, above, CAIS holds the right to modify or amend the terms of this Producer Agreement at any time. We will notify Producer of such change(s) by mail or by e-mail.

**C. Non-Disclosure & Return of Materials.** Producer will have access to confidential and proprietary information and materials disclosed orally or in any other form that may include, but not be limited to, business plans and operations, programs, markets, pricing and underwriting guidelines. Producer agrees that they will not at any time disclose, give, or transmit in any manner or form or for any purpose, the confidential information received from CAIS to any agent, broker or other third party.

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.

**D. 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.

**E. 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.

**F. 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.

**G. Survival Upon Termination.** The provisions of **Section 7, 8, 12, 14, 15, and 16** herein shall survive the termination of this Agreement.

**H. 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.

**I. 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.

**J. 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.

**K. Headings.** The headings of sections and subsections in this Agreement are for convenience and reference purposes only and do not affect in any way the meaning or interpretation of



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

In accordance with the terms of this Producer Agreement to which this Schedule 2 is attached, the rate of commission payable for each of the following lines of business is:

<b>Program</b>	<b>Commission % - NEW</b>	<b>Commission % - RENEWAL</b>
Condominium Association Package	10.0	10.0
PUD/Common Area Only Package	Premium <\$7500, net to producer; premium >\$7500 paid at 10%	Premium <\$7500, net to producer; premium >\$7500 paid at 10%
DIC	10.0	10.0
HOA Workers' Compensation	10.0	10.0
Umbrella	Premium <\$7500, net to producer; premium >\$7500 paid at 7%	Premium <\$7500, net to producer; premium >\$7500 paid at 7%
Directors & Officers	7.0	7.0
Fidelity Bond	7.0	7.0
Inland Marine	10.0	10.0
Artisan Contractor General Liability	13.0	13.0

\*Commission shall not be paid on any fees, stamping fees, or premium tax.

\*\*If business is bound in a state that does not allow for broker fees, listed commission rate shall be paid for that line of business regardless of premium.

\*\*\*NOTE: Not all programs are available in every state. Please contact CAIS for additional details.