



Market Options

from
IA&B Service Group Inc.

Market Options is the market access programs available to you through your membership in Insurance Agents & Brokers. Please carefully review the eligibility requirements of the program and the documentation needed to access the program. Upon receipt of your complete enrollment packet, we will process and acknowledge your agencies' activation in the programs of your choice.

IA&B is always here to assist you with questions. Please feel free to call us at (717) 795-9100 or toll free (800) 998-9644, option 0 should any questions arise.

ELIGIBILITY

IA&B programs are designed specifically for IA&B members. To participate, the following eligibility criteria must be met:

- The agency must be an active member of the Insurance Agents & Brokers;
- The agency must complete a *Producer Agreement* with IA&B;
- The agency must have E&O coverage with minimum limits of \$1,000,000;
- The agency must be licensed in Delaware, Maryland and/or Pennsylvania and otherwise in compliance with licensing law;
- All producers must be licensed in Delaware, Maryland and/or Pennsylvania and otherwise compliance with licensing law.

ENROLLMENT

Use the Enrollment Checklist on the following page to ensure that the agency will be promptly enrolled. *Incomplete enrollment information will delay your agencies' access to the program.*

Your agency is not eligible to write business in any IA&B program until IA&B receives your completed enrollment packet and processes your enrollment. Please do not submit business until you receive notification from IA&B that your enrollment has been processed.

To enroll your agency, complete the following information and mail to:

IA&B Service Group Inc
5050 Ritter Road
Mechanicsburg, PA 17055-4879



IA&B Market Option Program Enrollment Checklist

This form is designed to assist you in completing all aspects of the enrollment process.

To ensure a timely enrollment process, complete and attach all required forms and documentation.

Agency Name: _____

Agency Contact: _____

Program(s) agency plans to utilize (check all that apply):

- Workers' Compensation
- Personal Umbrella and Home Business Insurance

For all programs, complete and submit the following information:

- IA&B Producer Agreement:
 - Page 1
 - Page 4
 - Page 5, must include a witness and officer signature
- Agency Profile
- E&O Declarations (copy)

For the Workers' Compensation program:

- Agency's state insurance license (copy); or if a sole proprietor, the individual's state insurance license (copy).

For the Personal Umbrella and Home Business programs:

- RLI Appointment Form. Please complete for each individual licensee that will be producing applications. Preferable no more than three.

Mail to:

Insurance Agents & Brokers Service Group, Inc.
5050 Ritter Road
Mechanicsburg, PA 17055-4879

No faxes will be accepted for Market Option enrollment.

If the agency has more than 1 branch office, attach a separate sheet with the information requested above for each branch.

AGENCY RESIDENT LICENSE (Attach License & Complete this Section)	
License Number	
Expiration Date	_____ / _____ / _____ mm/dd/yyyy
Issued Date	_____ / _____ / _____ mm/dd/yyyy
State	<input type="checkbox"/> Pennsylvania <input type="checkbox"/> Maryland <input type="checkbox"/> Delaware

AGENCY NON-RESIDENT LICENSE(S) (Attach License and Complete this Section)	
<i>Many states have non-resident licensing exemptions. Please see the information regarding non-resident licenses on IA&B's website. If you have further questions, please contact the IA&B Member Service Center at 717-795-9100.</i>	
State	
License Number	
Issued Date	mm/dd/yyyy
Expiration Date	mm/dd/yyyy

State	
License Number	
Issued Date	mm/dd/yyyy
Expiration Date	mm/dd/yyyy

Attach additional non-resident license information on a separate sheet, if needed.

AGENCY PROFILE	
Total Agency Premium Volume	\$
Business Structure	<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> LLC
Agency Management System	<input type="checkbox"/> Applied <input type="checkbox"/> AMS <input type="checkbox"/> Other _____
Agency Start Date	/ /
Lead Companies (top 3)	1.
	2.
	3.
Lines of Business & % of overall volume	Niche Markets % Type:
	Commercial Lines %
	Life & Health %
	Personal Lines %
Total Insurance Companies represented by the agency	#

ERRORS & OMISSIONS COVERAGE	
Carrier	
X-Date	____ / ____ / _____ mm/dd/yyyy
Limits	

Attach copy of the current agency E&O declarations to this form.

The undersigned verifies that the information provided on above is accurate and correct.

Signature of Authorized Agency Officer

Date

For IAB Use Only:

Received Date _____

Entered by _____



IA&B SERVICE GROUP, INC. PRODUCER AGREEMENT

This Agreement, made this _____ day of _____, 201__ between the Insurance Agents & Brokers Service Group, Inc., a Pennsylvania corporation with its office at 5050 Ritter Road, Mechanicsburg, PA 17055-4879, and its representatives, successors and assigns ("IA&B") and _____ ("Producer") with offices at _____, state of _____ ("Licensing State").

Federal Tax Identification number: ____ - ____ - ____ - ____ - ____

Business Type: Sole Proprietor Partnership Corporation LLC

It is Hereby Agreed between IA&B and the Producer as follows:

1. Independent Contractor.

- 1.1. Producer is an independent contractor and not an employee of IA&B, with exclusive control of its time and the conduct of its agency.
- 1.2. IA&B shall not be responsible for any expenses of Producer.

2. Authority.

- 2.1. IA&B hereby grants non-exclusive authority to the Producer to submit insurance coverage applications under insurance programs available through IA&B and the insurance companies set forth in the attached schedule(s) hereto ("Company(ies)") for risks located:
 - 2.1.1. In the Licensing State;
 - 2.1.2. In states other than the Licensing State, but limited to the states of Delaware, Maryland and Pennsylvania; and
 - 2.1.3. In other states as permitted by any COMPANY(ies) and specifically communicated by IA&B to PRODUCER.
- 2.2. This authority is subject to the laws of the Licensing State and states other than the Licensing State in subsection 2.1.2 in which such Producer is authorized to write insurance business and to the terms and conditions hereinafter set forth or through other written communications provided by IA&B to Producer.
- 2.3. The role of the Producer (sub-agent or sub-broker) shall be disclosed on the attached Schedules. If the role requires the appointment of the Producer by the relevant company, the number of appointments that such company agrees to pay shall also be noted.

3. Producer's Responsibilities

- 3.1. Producer agrees to maintain membership with at least one of the following organizations:
 - 3.1.1. Delaware Association of Insurance Agents & Brokers, Inc.
 - 3.1.2. Insurance Agents & Brokers of Maryland, Inc.
 - 3.1.3. Insurance Agent & Brokers of Pennsylvania, Inc.
- 3.2. Should Producer choose not to maintain membership with one of the above listed membership organizations, Producer acknowledges and agrees that IA&B may terminate the Agreement or substitute at any time a revised schedule(s) that limits access to the insurance programs and/or reduces the commission level payable to Producer.
- 3.3. Producer agrees to maintain a Resident Producer's insurance license in the Licensing State and a Non-Resident Producer's insurance license in other states in which a risk is located and to adhere to the laws and responsibilities that apply. A copy of said license(s) will be submitted to IA&B as required or as requested.
- 3.4. If Producer is a corporation or partnership, Producer agrees that at least one individual shall maintain a Resident and/or Non-Resident's Producer's insurance license in the same manner and scope as required of the Producer in subsection 3.3; however, in no case shall any individual producer submit insurance coverage applications for a risk located in any state in which such individual is not licensed.
- 3.5. Producer shall allow IA&B to verify E&O coverage as required in subsection 11.2 with the carriers IA&B provides to its members or will provide IA&B with a copy of Producer's policy declarations or Certificate of Insurance upon request.
- 3.6. Producer agrees to keep records and accounts of transactions under this Agreement that are complete in all material respects. Either IA&B or company(ies), upon reasonable request to the other and during normal business hours, may inspect such records.
- 3.7. Producer shall not advertise in any manner the names or logos or other identifying marks of IA&B or any company(ies), or any subsidiary or affiliate of the foregoing, in any manner relating to the subject matter of this Agreement without prior written consent.

4. Premium Remittance.

- 4.1. It is agreed and understood that for any programs requiring premiums to be collected by the Producer are held in a fiduciary capacity and are the property of IA&B and the companies set forth in the attached schedule(s) and on whose behalf such premiums were collected. Producer has no interest in the premiums collected and shall make no deductions therefrom before paying same to IA&B, except for commissions as specifically authorized in the attached schedule(s).
- 4.2. Specific premium remittance instructions are set forth in the attached schedule(s).
- 4.3. Should the Producer fail to pay IA&B or any company(ies) any premiums when due, including those incurred by audits or interim reports, then the Producer agrees to bear any collection or other expenses, including reasonable attorney fees and costs, expended by IA&B or the company(ies) to enforce collection from the Producer to the extent allowed by law. Interest shall be charged at a rate of fifteen percent (15%) per annum or the highest rate permitted by law. Any earned premium owed by the Producer to IA&B or the company(ies) will be offset with earned commissions owed to Producer by IA&B or the company(ies).
- 4.4. If the Producer has failed to account for and pay to IA&B or the company(ies) immediately upon demand, all premiums for which Producer may be liable, all records and use and control of expirations shall be vested in IA&B and the Producer agrees to execute any documents necessary to place formally the title thereto in IA&B. IA&B likewise shall have the right immediately thereafter, at its discretion, to sell, transfer, assign or otherwise handle and control the business and expirations covered by this Agreement to satisfy in whole or in part the obligations of Producer to IA&B or the company(ies).

5. Commissions

- 5.1. Commissions shall be as indicated in the attached schedule(s) and may be changed by IA&B at any time upon written notice to the Producer.
- 5.2. Commissions will be paid to Producer within thirty (30) days after IA&B receives such commission payments from the company(ies).
- 5.3. A return commission calculated at the same rate as the original commission thereon shall be deducted from each return premium including cancellations ordered by IA&B.

6. Binding Authority.

In no event may the Producer bind IA&B or any company(ies) on any risk or endorsement thereto.

7. Notifications of Claims.

The Producer agrees to cooperate fully with IA&B and/or the company(ies) to facilitate the investigation and adjustment of any claim when requested and in the manner requested by IA&B and/or the company(ies) and under any such rules and regulations as may be agreed upon from time to time. The Producer shall not appoint an adjustor or attorney to represent IA&B and/or the company(ies) set forth in the attached schedules hereto without the permission of IA&B and/or the relevant company set forth in the attached schedules.

8. Amendment.

This Agreement may be amended by:

- 8.1. Mutual agreement in writing at any time.
- 8.2. IA&B by providing at least thirty (30) days advance written notice.

9. Termination.

- 9.1. This Agreement may be terminated immediately upon written notice in the event there has been a violation of either IA&B's or the Producer's fiduciary responsibility and/or threat of insolvency, fraud, abandonment, willful, gross, or negligent misconduct, as it relates to this Agreement, including the termination or suspension of either IA&B's or the Producer's license.
- 9.2. This Agreement will be continuous and may be terminated by either party at any time upon thirty (30) days written notice.

10. Ownership of Expirations.

During the term of this Agreement and following its termination, the Producer's records, use and control of expirations shall remain the property of the Producer and shall be left in its possession, except as provided in subsection 4.4.

11. Indemnification.

- 11.1. Producer shall indemnify IA&B for any fines or penalties assessed against IA&B by governmental authorities arising solely as a result of the actions, inactions or transactions of the Producer or parties affiliated with or under the direction of the Producer. The Producer shall provide immediate repayment to IA&B for any liability incurred by reason of the foregoing.
- 11.2. Producer shall maintain, at its own expense and with a carrier rated B+ or better by A.M. Best, Errors & Omissions insurance with minimum limits of one million dollars (\$1,000,000) each claim, one million dollars (\$1,000,000) aggregate. In the event Producer purchases a combined single limit (CSL) policy, the minimum limit shall be one million dollars (\$1,000,000).
- 11.3. IA&B shall indemnify Producer for any fines or penalties assessed against Producer by governmental authorities arising solely as a result of the actions, inactions or transactions of IA&B or parties affiliated with or under the direction of the IA&B. IA&B shall provide immediate repayment to Producer for any liability incurred by reason of the foregoing.

12. Arbitration Clause.

The following procedure will be followed in the event of a disagreement or dispute involving the interpretation of this Agreement or the performance or non-performance of IA&B and the Producer:

- 12.1. The parties will make a good faith effort to establish a meeting for the purpose of settling unresolved disputes.
- 12.2. If IA&B and the Producer are unable to resolve their conflict within thirty (30) days, the controversy will be resolved by arbitration in accordance with the commercial rules adopted by the American Arbitration Association.
- 12.3. All unresolved disputes with regard to the conditions of this Agreement will be decided by a panel of three (3) disinterested arbitrators. The party who desires arbitration will appoint one (1) disinterested arbitrator and will furnish written notice of the appointment to the other party. Within ten (10) days thereafter, the other party will appoint one (1) arbitrator. The two (2) appointed arbitrators will, with fifteen (15) days thereafter, together select a third arbitrator who will be designated as the presiding officer of the panel. If the appointed arbitrators fail or refuse to choose a third arbitrator within thirty (30) days after having been appointed, the third arbitrator will be chosen by the American Arbitration Association.
- 12.4. The decision of a majority of the panel will be binding on IA&B and the Producer without the right of appeal, and may be enforced by a court having jurisdiction over this Agreement. The determination of the panel must be in writing and bear the signatures of a majority of the arbitrators.
- 12.5. Expenses of arbitration will be shared on an equal basis by IA&B and Producer. Arbitrators shall have the right to select one party for a greater amount of the expenses should it be found that the party did not initially make a good faith effort to resolve the dispute on an informal basis.

13. Notices.

Any notices or other communications required or permitted under this Agreement shall be sufficiently given if delivered personally or sent by regular mail, postage prepaid, addressed as follows:

If to Producer:

Agency: _____
 Address 1: _____
 Address 2: _____
 City, State & Zip: _____

If to IA&B: Insurance Agents & Brokers Service Group
 5050 Ritter Road
 Mechanicsburg, PA 17055-4879

14. Other Provisions.

- 14.1. This Agreement supersedes and voids all previous agreements, written or oral, existing between IA&B and the Producer.
- 14.2. The failure of IA&B or Producer to insist on strict compliance with this Agreement or exercise any right under it shall not be a waiver of such right.
- 14.3. The section headings in this Agreement are used solely for convenience of reference and are not intended to be utilized in the interpretation of construction of this Agreement.

- 14.4. If any provision of this Agreement is held to be invalid or unenforceable under the laws or regulations of any jurisdiction which may govern this Agreement, such invalidity or unenforceability shall not affect any other provision of this Agreement.
- 14.5. The laws of Pennsylvania shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties in any respect relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto set their respective hands and seals the day and year first above written.

(Agency Name)

Witness: _____

By: _____
(Officer)

INSURANCE AGENTS & BROKERS SERVICE GROUP, INC.

Witness: Jason F. Ernest
Jason F. Ernest, Esq.
Vice President, Advocacy

By: Frederick E Russell II
Frederick E Russell II
President & CEO



INSURANCE
AGENTS & BROKERS
SERVICE GROUP INC.

IA&B SERVICE GROUP, INC. PRODUCER AGREEMENT (Revised October 1, 2011)

SCHEDULE A RLI Insurance Company

Producer Role: Sub-Agent. Appointment required. RLI agrees to pay the appointment fees for up to two individual licensees and for the agency, if a legal entity. Producer is responsible to pay for additional appointments.

Commissions:

Program	New Business	Renewal Business
Personal Umbrella	10%	10%
PUP Special (Personal Umbrella)	8%	8%
In-Home Business Program	12%	12%

SCHEDULE B ARI Worker's Compensation

Producer Role: Sub-Broker

Commissions:

Company	New Business	Renewal Business
AmeriHealth	5%	4%
AmTrust/Rochdale	7%	6%
Chartis-MD, <\$100,000	7%	6%
Chartis-DE, <\$100,000	6%	5%
Chartis-All Other	5%	4%
Hartford	8%	8%
Tower	7%	7%
Travelers	8%	7%
Amerisafe	5%	4%



FOR COMPANY USE ONLY

<input type="checkbox"/>	RLI Insurance Company
<input type="checkbox"/>	Mt. Hawley Insurance Company
<input type="checkbox"/>	RLI Indemnity Company
<input type="checkbox"/>	Contractors Bonding and Insurance Company

**RLI GROUP
PRODUCER APPLICATION**

Entity Name: _____
 Corp Sole Proprietor

Entity FEIN: _____
Entity Phone #: _____

Producer #: _____

Entity Fax: _____

Entity E-mail: _____

Entity Mailing Address: _____

Individual's Name: _____ County: _____

Individual's Resident Address: _____ City: _____ State: _____ Zip: _____

Resident License No.: _____ Date of Birth: _____

Social Security Number (N/A if the answer to question 8 is "Broker"): _____

- Do you hold a license in any state other than your state of residence: Yes No
- Have you ever held a license in any state that is no longer valid, or has your license ever been fined, suspended, subject to a consent order, revoked or currently under investigation? Yes No
- If the answer to question 2 is "Yes," please explain the circumstances: _____

- Have you ever been convicted or pled guilty or nolo contendere (no contest) to any crime other than a minor traffic violation? Yes No
- If the answer to question 5 is "Yes," please supply the date, jurisdiction, and nature of the offense: _____

- Have you or your current/former agency filed for bankruptcy within the last seven (7) years?
 Yes No
- In which capacity are you acting? Agent Broker

APPLICANT NOTIFICATION

Through this document, the RLI Group discloses to you that investigative consumer reports are being obtained for the purpose of evaluating you for eligibility for an appointment required by law to consider an applicant's financial/character responsibility. The reports may contain information bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living from public record. The investigations may be ordered periodically throughout your appointment in order to retain your appointment.

Attention California residents only: Please check here to request a copy of your investigative consumer reports.

Applicant's Signature

Date

RLI Group
Company Representative

Date