



DISCOUNT-AUTOCLUB . C O M

Producer Appointment Agreement

Membership Direct
Membership Group
Personal Lines Auto
Speciality Products



LATINAUTOCLUB.COM

DISCOUNT AUTO CLUB

P.O. BOX 537

SUNSET BEACH, CA

90742-0537

INSTRUCTIONS TO COMPLETE APPLICATION FOR APPOINTMENT

Thank you for your interest in a Discount Auto Club appointment. We appreciate the opportunity to review your application. Regardless of the lines of business you desire to write with us, the appointment process is the same. This process provides us with the opportunity to see if Discount Auto Club is a good fit within your agency or company.

We offer a variety of Personal Lines, Membership products. Most of our products do not require a volume or book roll commitment. Some of our products are only available on a limited distribution offering.

If you have a large book of business and would like to have your own private label program, please advise our Marketing Specialist.

Please follow these steps:

1. Complete the Producer Appointment Application Packet.
2. Attach the following:
 - a. Copy of current E&O Declarations Page
 - b. Copy of Broker Bond (if Broker)
 - c. Copy of Insurance Agent/Broker License
 - d. If you are a start up / new venture, your business plan and resume.
3. Email, Fax or Mail the entire package to our Marketing Department:

DISCOUNT AUTO CLUB
P.O BOX 537
SUNSET BEACH, CA 90742-0537

Marketing FAX: 800-318-3854

Marketing Email: info@latinautoclub.com

Upon receipt of your completed Producer Appointment Packet, our Marketing Specialists will review your packet for completion and contact you to let you know the remaining steps needed to get you appointed. In some instances, you will be given immediate access to our programs.

We look forward to working with your agency.

APPLICATION FOR PRODUCER APPOINTMENT

This application must be completed by the Licensed Producer or designee on behalf of the firm. All questions must be fully answered and the application signed by an owner, officer, or principal of the firm.

BUSINESS ENTITY BASIC INFORMATION:

Name of Agency: _____

Mailing Address: _____

Websites: _____

Form of Business Entity:

-Individual, -Partnership, -Corporation, -LLC, -Other: _____

TIN/EIN/SSN: _____ State of Domicile / Incorporation: _____

Agency License# _____ State: _____ Date Agency First Established: _____

AUTO CLUB ONLY AGENT DO NOT COMPLETE - UNLESS INSURANCE LICENSED

Additional States Licensed & License #: _____

OWNERSHIP / CONTACT INFORMATION:

List Anyone With Ownership Interest In Agency:

<u>Name:</u>	<u>Home Address:</u>	<u>SSN #:</u>	<u>% Interest</u>

Contact Information For Key Personnel:

<u>Position:</u>	<u>Name:</u>	<u>Email:</u>	<u>Phone #:</u>

List All Agency Locations:

<u>Location #</u>	<u>Street Address</u>	<u>City</u>	<u>ST</u>	<u>Zipcode</u>	<u>Phone</u>	<u>Fax</u>

BUSINESS DETAILS:

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01. Which Insurance Associations Does Your Agency Have An Active Membership In:
 – Agent Alliance, – IBN, – IIA, – LAAA, – PIA, – Other: _____

02. Agency Management System Used: _____

03. Agency Management Downloads Used: _____

04. Rating Services Used: _____

05. Number Of Employees For Each Category:

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CATEGORY	# STAFF
# Licensed Sales Agents/Solicitors:	
# Not Licensed (have contact w/customers):	
# All Others (no customer contact):	
Total Number of Employees:	

06. List The Top 5 Carriers Within Your Agency:

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<u>Carrier Name</u>	<u>Date Appointed</u>	<u>Personal Lines Annual Premium</u>	<u>Commercial Lines Annual Premium</u>	<u># New Apps Per Month</u>

07. Percentage of Business You Write By State:

<u>CA</u>	<u>TX</u>	<u>FL</u>	<u>NV</u>	<u>NY</u>	<u>NJ</u>

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08. **Annual Premium By Line** (Approximate Last 12 Months of Written Premium Volume).

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PERSONAL LINES	<i>Annual Premium</i>
Auto:	
Homeowners:	
Boats/Personal Watercraft:	
Umbrella:	
Mexico Tourist Auto/Motorcycle/RV:	
All Other:	
Total Personal Lines:	
COMMERCIAL LINES:	
Commercial Auto:	
Professional Lines:	
BOP/Package:	
Mono Line General Liability:	
Mono Line Commercial Property:	
Workers Comp:	
Ocean Marine:	
All Other:	
Total Commercial Lines:	
LIFE / HEALTH / FINANCIAL:	
Total Life/Health/Financial Lines:	
TOTAL:	

09. List Any Additional Notes or Information About Your Agency That You Would Like Us To Know:

Signature of Owner, Partner, Director or Applicant _____

Print Name _____

Title _____

Date of Signature _____



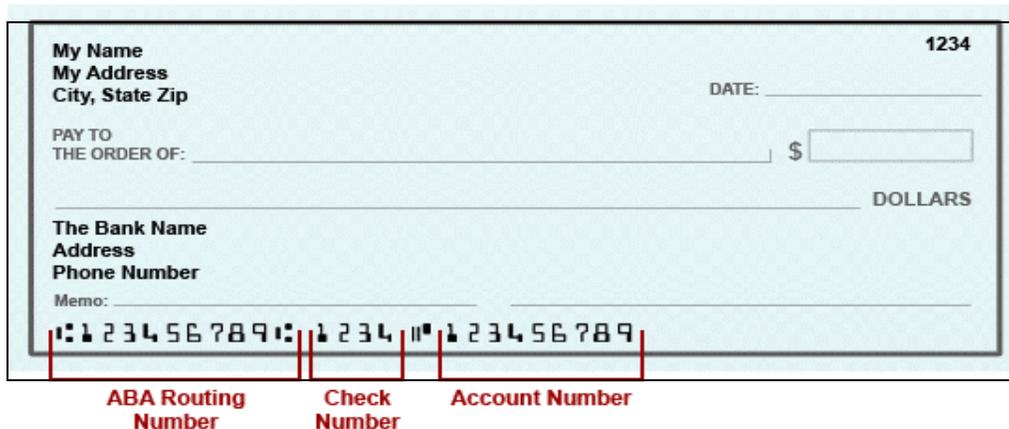
PRODUCER EFT “AUTHORIZED ACCOUNT”

This is the account we will withdraw authorized down payments and installments from.

PRODUCER EFT / AUTHORIZED ACCOUNT:	
<p>By completing this section, the producer hereby agrees that Discount Auto Club. is authorized to present EFT items on the producers account indicated below, for payment and settlements due to Discount Auto Club by the producer.</p> <p>I understand that it is my responsibility to notify Discount Auto Club when my bank information changes. I also understand that failure to notify Discount Auto Club of a change in my banking information could result in funds continuing to be withdrawn or deposited to this account.</p> <p>Bank Name: _____ Branch: _____</p> <p>City: _____ State: ____ Zipcode: _____</p> <p>Transit / ABA Routing Number: _____ Account Number: _____</p> <p>This authorization is to remain in full force and effect until Discount Auto Club has received written notification from me of its termination in such time and such manner as to afford Discount Auto Club a minimum of 10 days to act on it.</p> <p>Name: _____ (Print: Last, First & Middle Name)</p> <p>Signature: Date: _____</p> <p style="text-align: center;">** PLEASE ATTACH A VOIDED CHECK IN THE SPACE BELOW **</p>	

Where do I find the numbers you are requesting?

1. Your **Routing Number** is between the “I:” symbols. It’s a 9-digit number.
2. Your **bank account** number is to the right of the **Routing number** and may be up to 17 digits in length. It is preceded by a “II*” symbol. Your check number may be encoded on this line. Do not include this number. See example below.





PRODUCER COMMISSION DEPOSITS

This is the account we deposit your commissions to.

PRODUCER COMMISSION DEPOSIT ACCOUNT:

By completing this section, the producer hereby requests that Discount Auto Club use this account for depositing commissions and returns.

I understand that it is my responsibility to notify Discount Auto Club when my bank information changes. I also understand that failure to notify Discount Auto Club of a change in my banking information could result in funds continuing to be deposited to this account.

Bank Name: _____ Branch: _____

City: _____ State: _____ Zipcode: _____

Transit / ABA Routing Number: _____ Account Number: _____

This authorization is to remain in full force and effect until Discount Auto Club has received written notification from me of its termination in such time and such manner as to afford Discount Auto Club a minimum of 10 days to act on it.

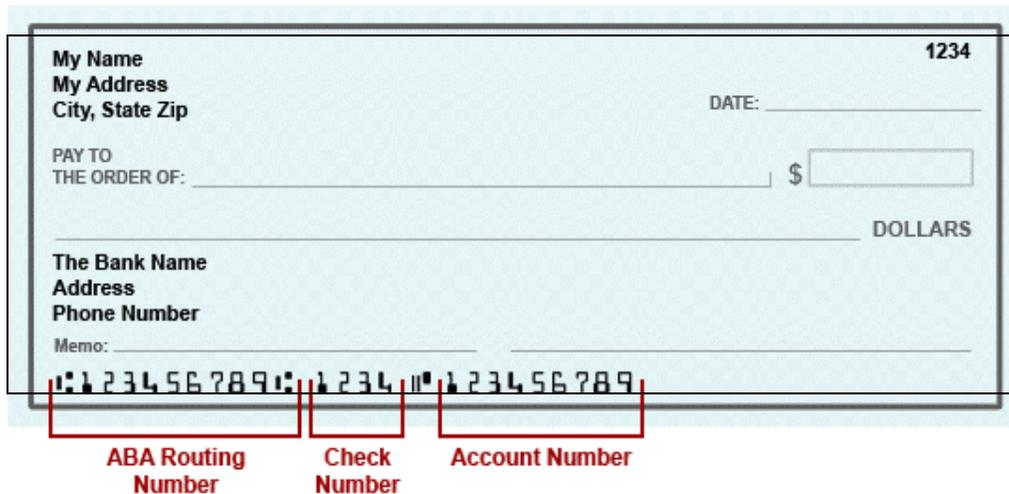
Name: _____
(Print: Last, First & Middle Name)

Signature: _____ Date: _____

**** PLEASE ATTACH A VOIDED CHECK IN THE SPACE BELOW ****

Where do I find the numbers you are requesting?

1. Your **Routing Number** is between the "I:" symbols. It's a 9-digit number.
2. Your **bank account** number is to the right of the **Routing number** and may be up to 17 digits in length. It is preceded by a "II*" symbol. Your check number may be encoded on this line. Do not include this number. See example below.





PRODUCER AGREEMENT

Prod # _____

THIS AGREEMENT made this [redacted] day of, [redacted], 20 [redacted], between Lowpriceinsurance DBA Discount Auto Club - Latin Auto Club Agency Inc, 4533 MACARTHER BLVD, NEWPORT BEACH, CA 92660 (hereinafter "COMPANY"), and Insurance Agency named below;

Insurance Agency Name:	
Physical Street Address:	
City, State, Zipcode:	
Mailing Street Address:	
City, State, Zipcode:	
Phone #	
Fax #	
Email Address:	
Website:	

Check Appropriate Box:

- A Corporation; or
- A Partnership; or
- An Individual

(Hereinafter called "PRODUCER").

"COMPANY", hereby makes available its facilities to the "PRODUCER", for the submission of proposals for insurance for such contracts as the COMPANY has authority legally to receive subject, however, to restrictions placed upon the PRODUCER and COMPANY by law in the jurisdictions within which the PRODUCER is authorized to write, and to the terms and conditions hereinafter set out. The COMPANY and the PRODUCER hereby agree that PRODUCER is not and cannot be considered an employee of the COMPANY and is acting as an independent contractor in all matters relative to this Agreement, and further agree as follows:

Now therefore, it is mutually agreed as follows:

1. **OWNERSHIP OF THE BUSINESS.** The COMPANY recognizes the independent ownership by the PRODUCER of the insurance business subject to this Agreement. However, in the event it becomes necessary for the COMPANY to cancel this Agreement by reason of violation by the PRODUCER of any of the provisions of this Agreement, before or after termination, the use and control of expirations shall be vested in the COMPANY only

for the benefit of protecting the interest of the COMPANY, provided the PRODUCER is unable to properly or legally service the business.

2. PRODUCERS' SCOPE OF AUTHORITY

A. The PRODUCER shall have no authority whatsoever to:

1. Hold itself out as an employee, partner, equity holder, joint venture or associate of the COMPANY.
2. Hold itself as an agent of the COMPANY in any manner, or for any other purpose, than is specifically prescribed in the Agreement.
3. Alter, modify, waive, or change any of the terms, rates, or conditions of policies or contracts for insurance either prior to or following issuance of policy.
4. Correspond or act on the COMPANY'S behalf with respect to state or local governmental bodies without the prior written consent of the COMPANY.
5. Authorize any claim settlement or to bind the COMPANY in any way having to do with any claim matter and/or claim settlement.

B. The COMPANY reserves the right, in its sole discretion, and without liability to the PRODUCER or the PRODUCER'S client, to disprove or reject any application for insurance and PRODUCER shall explain this right to and notify its clients thereof.

C. The authority of the PRODUCER shall be subject at all times to the superior authority of the COMPANY who may, from time to time, amend this Agreement. In the event COMPANY does so amend this Agreement, said amendment must either be accepted in writing by said PRODUCER within three (3) days of notice and receipt of said amendment by PRODUCER or, at the option of COMPANY and on writing notice to said PRODUCER, said Agreement may be terminated.

D. COMPANY expects that PRODUCER has entered into this Agreement with the intent of good will and mutual benefit to COMPANY and PRODUCER. Should PRODUCER commit fraud or abuse of any product or program made available to PRODUCER by COMPANY, including dishonesty, breach of trust, theft, misappropriation of money, breach of fiduciary duty or fair dealings with COMPANY or it's customers; PRODUCER immediately forfeits all future commissions that would otherwise be due to PRODUCER and any product / program Addendums will immediately terminate for cause.

3. ELECTRONIC MAIL AUTHORIZATION. PRODUCER will provide COMPANY with an email address that is monitored by PRODUCER on a daily basis for communication by COMPANY. Any email address provided by PRODUCER or PRODUCERS employee shall fall under this master authorization by PRODUCER. PRODUCER agrees to "white list" COMPANY with their email vendor, and not to mark emails by COMPANY as spam. Should PRODUCER provide cell phone numbers for communication, PRODUCER agrees that text or voice messages may be sent to each cell phone number provided by PRODUCER as an additional means of communication by COMPANY.

4. INTELLECTUAL PROPERTY AND CONFIDENTIALITY. PRODUCER agrees that all COMPANY works of authorship, inventions, technologies, forms, processes, procedures, vendor interactions (whether patentable or not), shall be considered COMPANY intellectual property and/or trade secrets. The PRODUCER agrees to hold the COMPANY intellectual property and/or trade secrets in confidence and to take reasonable precautions to protect such information (including, without limitation, all precautions the PRODUCER employs with respect to its own confidential technologies, processes and materials); and not to divulge or cause to be divulged any such material or any information derived there from to any competitor or vendor; and not to copy or reverse engineer any such information or product thereof. Without granting any right or license, the COMPANY agrees that the foregoing shall not apply with respect to any information following the disclosure thereof or any information that the PRODUCER can document;

- (i) was, is, or becomes (through no improper action or inaction by the PRODUCER or any affiliate, agent, consultant or employee of the PRODUCER) generally available to the public; or
- (ii) was in its possession or known by it without restriction prior to receipt from the COMPANY; or
- (iii) was rightfully disclosed to it by a third party without restriction; or
- (iv) was independently developed without use of any information of the COMPANY by employees of the PRODUCER who have had no access to any such information.

The PRODUCER may make disclosures required by law or court order provided the PRODUCER uses diligent reasonable efforts to limit disclosure and to obtain confidential treatment or a protective order and allows the COMPANY to participate in the proceeding.

5. COMMISSION. An Addendum to this agreement will be issued advising PRODUCER of the commission amount offered by COMPANY for each program / product. Refer to each program / product Addendum for details. The PRODUCER shall pay the COMPANY a return commission at the same rate on any return premiums, including return premiums on cancellations ordered or made by the COMPANY. COMPANY may cancel this Agreement or any Addendum if there are no commissions earned for six (6) consecutive statements.

PRODUCER agrees that any undistributed commission in the hands of COMPANY at any time may be applied to an offset against any funds due COMPANY from the PRODUCER.

If PRODUCER fails to pay monies due, as herein provided, the PRODUCER shall pay to the COMPANY, in addition to all sums due, interest of two percent (2%) per month on such delinquency from the commencement date of said delinquency, or the highest amount that may be permitted by pertinent State law, whichever is greater.

6. PREMIUM AND ACCOUNTS. The PRODUCER shall accept the COMPANY'S monthly statement, which shall be submitted to the PRODUCER after the end of the account month. Such statement will include Insurer, Policy Number, Named Insured, Premium or Return Premium, Commission allowance, and Net Balance Due. The net balance due as shown on the statement shall be settled between the parties within ten (10) days after the end of the month for which the statement was rendered.

When the PRODUCER indicates they have collected specific premiums from a customer, the PRODUCER hereby guarantees all premiums due to the COMPANY on insurances bound as a result. Any credit extended to the Insured or others by the PRODUCER shall be at the sole risk of the PRODUCER.

7. BINDING AND CANCELLATION OF INSURANCES. The PRODUCER is neither granted authority by the COMPANY to bind the COMPANY to any risks nor to cancel any policy issued by the COMPANY. However, nothing in this Agreement shall be construed as limiting or restricting the right of the COMPANY to cancel any binder, policy or contract of insurance issued under this Agreement in accordance with the cancellation provisions of such binder, policy, contract, insurance regulation, or law.
8. CLAIMS. The PRODUCER shall immediately notify the COMPANY of all claims, suits and notices of loss and agrees to fully cooperate with the COMPANY to facilitate the investigation, adjustment, settlement and payment of any claim when and as requested by the COMPANY.
9. ADVERTISING. The PRODUCER shall not insert any advertisement referring to the COMPANY or any affiliate of the COMPANY, or issue or cause to have issued any letter, circular, pamphlet or other publication or statement so referring, without the express written consent of the COMPANY. In the event the COMPANY shall be subjected to loss or expense arising out of any unauthorized advertisement, publication or statement of the PRODUCER, the PRODUCER shall be liable for all resulting damages and costs.
10. INSPECTION AND AUDIT. The COMPANY or its duly authorized representatives may inspect or audit any insurances bound hereunder or the subject matter thereof. The PRODUCER shall cooperate with the COMPANY and at the COMPANY'S request, assist the COMPANY in the inspection or audit of any records relating to the subject matter of this Agreement. This includes forwarding copies of complete files and documentation by fax, email or other means requested by COMPANY. If PRODUCER fails to cooperate or not allow COMPANY to inspect or audit its files, the PRODUCER understands that this is considered a breach of trust and fair dealings with COMPANY and is subject to cancellation for cause.
11. COMPLIANCE WITH STATUTE. The PRODUCER warrants compliance with all applicable, laws governing the conduct of business, which is the subject of this Agreement, including but not limited to the Surplus Line Law(s) of the jurisdiction(s) involved and the Federal Fair Credit Reporting Act. The PRODUCER will advise the COMPANY of the appropriate license holder and the license numbers being used in making any filings on behalf of the COMPANY to satisfy any state requirements.

The PRODUCER has authority to solicit and submit applications for insurance covering such classes or risks as the COMPANY may, from time to time, make available by Addendum, provided that the PRODUCER is currently licensed in various State(s) and is accepted and approved by the COMPANY. Such authority is further defined in the COMPANY'S guidelines or manuals supplied to the PRODUCER, which may be amended and may alter the risks deemed acceptable to COMPANY or the methodology of transacting with COMPANY. This Agreement shall be terminated if any public authority cancels or declines to renew the aforesaid license of PRODUCER.

12. **ERRORS & OMISSIONS.** The PRODUCER warrants and represents to the COMPANY that the PRODUCER has a valid and in force contract of liability insurance covering the PRODUCER for damages occasioned by errors or omissions alleged to have been caused by the PRODUCER. The PRODUCER shall provide COMPANY, upon execution of this Agreement and annually thereafter, with a Certificate of Insurance as evidence of coverage and will notify COMPANY in writing within ten (10) days at any time such coverage is terminated or interrupted for any reason whatsoever.

13. **CANCELLATION OF AGREEMENT.** This Agreement may be cancelled voluntarily at any time by either party giving written notice to the other. After the date of cancellation of this Agreement, unless otherwise stipulated at the option of the COMPANY, the PRODUCER shall continue to service all in force policies. This includes the collection and accounting to the COMPANY for all premiums, commissions and other transactions unaccounted for on the date of cancellation or arising thereafter in respect of outstanding insurances. In case the COMPANY shall find it necessary to perform any duty otherwise required of the PRODUCER under this Agreement, the PRODUCER shall be liable for all costs incident thereto.

COMPANY, for any of the reasons indicated in this Agreement, may cancel this Agreement for cause. PRODUCER understands and agrees that cancellation for cause will result in an immediate forfeiture of all future commissions due PRODUCER. Cancellation for cause includes, failure to maintain a valid Insurance License, failure to provide copy of current Errors & Omissions coverage upon request, a breach of fair dealings or fiduciary responsibilities with COMPANY or its customers, or for the violation of any other requirement in this Agreement or any subsequent Addendum issued to PRODUCER.

All sections of this Agreement outlining each parties rights and responsibilities shall survive any cancellation.

14. **HOLD HARMLESS GUARANTEE.** Each party agrees to defend, indemnify and hold the other party harmless from any loss, expense, fine, penalty or damages resulting from any violation of the Agreement or any violation of law or regulation governing business transacted under the Agreement to the extent that the other party has contributed or compounded the error resulting in such loss, expense, penalty or damages. A party that agrees to indemnify the other party may investigate, defend and settle such claims with the cooperation of the other party. However, if the COMPANY determines in its sole discretion that a claim is part or typical of a class action or series of similar claims and may create adverse precedent against the COMPANY, the COMPANY may make any investigations, settlement or defense that the COMPANY determines to be appropriate, including the selection and/or approval of counsel retained to defend any such claim.

15. **COLLECTION LITIGATION.** Should the PRODUCER fail to pay the COMPANY any premium when due, the PRODUCER agrees to bear any collection or other expense, including reasonable attorney's fees and costs, expended by COMPANY to enforce collection from PRODUCER.

16. In the event of any dispute under this Agreement, California law shall govern.

17. **ENTIRE AGREEMENT.**

- A. This Agreement is not valid unless signed by PRODUCER and COMPANY.
- B. This instrument represents the entire Agreement between the parties and no other representations; understandings or Agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein.
- C. No alterations, modifications, amendments, or additions to this Agreement shall be valid unless in writing and executed with the same formalities as this Agreement.
- D. This Agreement does not give PRODUCER authorization to write a specific program or product. Individual Addendums to this agreement shall be issued by COMPANY giving PRODUCER authority to submit business for each authorized program or product.
- E. The failure of either party at any time to enforce any of the provisions of this Agreement shall not be construed to be a waiver of such provisions, or to affect the validity of this Agreement or any part thereof, nor the rights of any party to thereafter enforce each and every such provision.
- F. This Agreement is not assignable by any party hereto without the prior written consent of the COMPANY.
- G. All sub producer Agreements shall be subordinate to this Agreement and, in the event of any conflict, the terms of this Agreement shall govern.
- H. PRODUCER and COMPANY agree that FAX (Facsimile), PDF (Adobe Acrobat), or any other generally acceptable electronic storage format copies of this agreement and all amendments, shall be acceptable as originals.

18. All Notices under this Agreement shall be deemed served on deposit in the United States Postal Service addressed as follows:

If to PRODUCER:

The mailing address listed at the beginning of this Agreement.

If to COMPANY:

LowpriceInsurance, Inc. DBA
Discount / Latin Auto Club
PO BOX 537
SUNSET BEACH, CA 90742-0537

IN WITNESS WHEREOF, the parties hereto set their hands in signature this date:

PRODUCER:



PRODUCER Authorized Signature: _____



Print Name: _____



Title: _____

Date Signed: _____

COMPANY: Lowpriceinsurance Inc DBA Discount / Latin Auto Club

COMPANY Authorized Signature:

Title:

Date Signed:
