



When finished, fax the application with the following to 800-487-9654, Attn: Subproducer Applications or scan and e-mail to Lisa Szalek at LSZALEK@amtrustgroup.com:

1. A copy of your E&O Declarations Page including Carrier Name, Coverage Dates, Limits and Deductible
2. Copies of resident and non-resident licenses for the agency and each listed agent
3. **Retail Agents** – Review, complete and sign the attached Subproducer Agreement. Upon approval of the application, we will execute the agreement and return a copy to you along with your username and password for on-line access. **Wholesale Agents** – contact your marketing representative for information regarding an agreement.

Subproducer Application

General Information:

Name of agency: _____

Mailing address: _____

City/State/Zip: _____

Office location, if different: _____

City/State/Zip: _____

Phone: _____ Fax: _____

Tax ID number: _____

Agency principals: _____

Marketing Profile:

Year established: _____

Type of business: Corporation Partnership Individual Other

Total premium volume: _____

Personal: _____ Commercial: _____ Special: _____

Geographic location: Rural Suburban Metropolitan

Office location: Main Street/Storefront Office/Corporate Park
 Shopping Mall/Retail Free Standing Professional Bldg

Other business involvements? _____

Office Profile:

Please include anyone that may be using our online system to get premium indications and quote. This will allow us to communicate with your agency via e-mail.

Key Personnel

Responsibilities

E-Mail

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total number of employees: _____

Number of active commercial producers: _____

Any recent changes in ownership? Yes No

If yes, please explain: _____

Any plans for mergers or acquisitions? Yes No

Primary marketing territory: _____

Describe your agency management system: _____

Is the agency in good standing with its home state? _____

Has the agency, any of its officers or management ever been convicted of a crime, excluding minor traffic offenses? Yes No

Other Companies:

List companies in decreasing volume order:

Company:		Prior Year WP	L/R	2 nd Prior Year WP	L/R
_____	Personal: _____				
	Commercial: _____				
Company: _____	Personal: _____				
	Commercial: _____				
Company: _____	Personal: _____				
	Commercial: _____				

Any company changes in last three years?

Company	<input type="checkbox"/> Added <input type="checkbox"/> Terminated	Reason
_____		_____
_____	<input type="checkbox"/> Added <input type="checkbox"/> Terminated	_____
_____	<input type="checkbox"/> Added <input type="checkbox"/> Terminated	_____

Work Comp Markets:

List companies in decreasing volume order:

Company	Prior Year WP	L/R	2 nd Prior Year WP	L/R

Any company changes in last three years?

Company

Added Terminated

Reason

Added Terminated

Added Terminated

Note to Applicants:

The Violent Crime Control and Law Enforcement Act of 1994 (18 U.S.C. §§ 1033 and 1034) provides as follows: "Any individual who has been convicted of any criminal felony involving dishonesty or a breach of trust, or who has been convicted of an offense under this section, and who willfully engages in the business of insurance, shall be fined as provided in (this law) or imprisoned not more than 5 years, or both."

Please initial _____

Attached copies of resident license for the agency and each listed agent. For New York, please provide your P&C New York license. Attached copy of Agent's Errors & Omission Insurance declaration page, showing name of carrier, coverage dates, limit of liability and deductible. A minimum limit of \$1 million is required.

Certification:

I have read this application and certify that the answers and information herein are true and correct to the best of my knowledge.

Signature: _____

Title: _____ Date: _____

SUB-PRODUCER AGREEMENT

This Sub-Producer Agreement (the "Agreement") is effective this day of , 2009 ("Effective Date"), by and between (the "Sub-Producer"), and AmTrust North America, Inc. (the "Company").

WHEREAS, The Company is an agent for Rochdale Insurance Company, Inc., Technology Insurance Company, Inc., Wesco Insurance Company, Inc., and other markets;

WHEREAS, Sub-Producer desires to place business through the Company, on certain insurance risks, all as more fully set forth herein.

NOW, THEREFORE, in consideration of the agreements and mutual promises contained herein, the parties agree as follows:

I. **Appointment, Authority and Duties**

1.1 Authority. Unless otherwise limited or expanded under an Exhibit hereto, the Company hereby grants authority to Sub-Producer and Sub-Producer agrees:

- (a) to solicit and submit applications and/or proposals to the Company for policies of insurance for the risks and classes of risk at the limits and for the lines of business authorized by the Company and in accordance with any and all underwriting instructions as may be provided to the Sub-Producer from time to time ("Underwriting Guidelines").
- (b) to provide accurate and adequate quotations for Policies in accordance with the Underwriting Guidelines.
- (c) to collect, receive and receipt from insureds premiums, including deposits, due on all Policies, as set forth in the Underwriting Guidelines and pursuant to this Agreement.
- (d) to deliver, and, when appointed by the Company, countersign Policies.
- (e) to issue certificates of insurance reflecting validly issued Policies.
- (f) to promptly report all incidents, claims, suits and notice of losses to the Company or its designated claims adjuster. In addition, Sub-Producer shall cooperate fully to facilitate any investigation, adjustment, settlement and payment of any claim.
- (g) to comply with any and all applicable laws and regulations.
- (h) to obtain and maintain in good standing all licenses necessary and required by law to solicit Policies on behalf of the Company, and furnish the Company with copies of such licenses upon request.
- (i) to keep true and complete records and accounts of all transactions and correspondence with policyholders and the Company at the principal office of Sub-Producer, which records and accounts shall be open to examination, inspection, verification and audit by the Company at any time upon request.

1.2 Limitations on Authority. Sub-Producer acknowledges and agrees that its authority is limited to that set forth above and subject to the following limitations:

- (a) Sub-Producer shall have no authority to bind the Company or accept any risk on behalf of the Company.
- (b) Sub-Producer shall have no authority to appoint any sub-agent or to accept brokerage business without the prior written approval of the Company.

- (c) Sub-Producer shall have no authority to adjust, compromise or settle claims.
- (d) Sub-Producer shall conduct itself and its business under the terms of this Agreement solely as an independent contractor.
- (e) Sub-Producer shall not use the name, logo or service mark of the Company or any of the Company's programs in any form of advertising without the prior review and written approval of the other party.
- (f) Sub-Producer has no authority to arrange, facilitate or bind with respect to reinsurance.
- (g) Sub-Producer has no authority to issue policies.

II. Commission

- 2.1 Sub-Producer shall be paid as sole and full compensation for its services as Sub-Producer under this Agreement, the rate of commission set forth in the Commission Schedule attached hereto and incorporated herein as Exhibit A. Exhibit A may from time to time be amended without otherwise affecting the terms and conditions of this Agreement. Sub-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. The Company shall have the right to offset future commissions against any return commissions payable.

III. Premiums and Accounting

- 3.1 All premium payments, except deposit premium payments, shall be made directly to the Company in accordance with Exhibit B, Company Direct Bill.
- 3.2 Unless otherwise set forth in this Agreement or an Exhibit hereto, all premiums collected or received by Sub-Producer on the Policies are the property of the Company and must be held by Sub-Producer in a fiduciary capacity as trustee for the Company. Sub-Producer shall deposit all collected premiums into a Premium Trust Account separate and apart from all other funds of Sub-Producer and in a mutually agreed-upon bank which is a member of the Federal Reserve System. Interest accruing on these premium trust funds may be retained by Sub-Producer so long as Sub-Producer timely transmits all net balances due to the Company in accordance with this Agreement and complies with all other provisions of this Agreement.
- 3.3 Sub-Producer shall pay the Company the deposit premiums due on all Policies or premium transactions immediately upon binding. In accordance with Exhibit B, Company Direct Bill, Sub-Producer may not deduct commissions from any payment. Sub-Producer shall account for all Policies and premium on a statement of account, the contents and form of which shall be acceptable to the Company.
- 3.4 No commission will be paid to Sub-Producer on any audited earned premiums that are not collected through the regular billing procedure and are referred to a collection agent or any kind of legal process for collection. The Company has the right to offset against any unpaid commission which may be owed to the Sub-Producer.

IV. Expirations

- 4.1 Upon termination of this Agreement, Sub-Producer's records of insureds and Policies, and their use and control for solicitation of business written or bound by or through the Company (the "Expirations") shall belong to Sub-Producer.

V. Sub-Producer Expenses

5.1 All expenses of Sub-Producer, whether billed to Sub-Producer or the Company, are the sole responsibility of Sub-Producer.

VI. Insurance

6.1 Sub-Producer represents that it shall at all times during the term of this Agreement and, thereafter, while Sub-Producer has any obligations hereunder, maintain at its own expense an Errors and Omissions Policy covering Sub-Producer and its employees in a form acceptable to the Company, in the total amount of not less than \$1,000,000.00, with a deductible not to exceed \$25,000, unless otherwise agreed in writing. The acceptability of the insurer shall not be unreasonably withheld by the Company. Sub-Producer shall furnish the Company proof of such insurance, in the form of a certificate of insurance or, if requested, the policy showing all terms, endorsements and exclusions, upon execution of this Agreement and upon each renewal of such policies. Sub-Producer agrees to notify Company immediately of any lapse in coverage, any change in coverage, or any notice terminating coverage.

VII. Indemnification

7.1 At all times hereafter, Sub-Producer shall defend, indemnify, and hold the Company harmless from and against all claims, actions, causes of action, liability, or loss which result from any negligent or willful acts, errors, or omissions of Sub-Producer, or its employees, representatives, subproducers or agents in the performance or breach of duties under this Agreement. Loss shall include, but not be limited to, all damages, costs, expenses, reasonable attorneys' fees, penalties, fines, assessments, and verdicts incurred by Company. This Section VII shall survive termination of this Agreement.

7.2 At all times hereafter, the Company shall defend, indemnify, and hold Sub-Producer harmless from and against all claims, actions, causes of action, liability, or loss which result from any negligent or willful acts, errors or omissions of the Company, or its employees, representatives, subproducers or agents in the performance or breach of duties under this Agreement. Loss shall include, but not be limited to, all damages, costs, expenses, reasonable attorneys' fees, penalties, fines, assessments, and verdicts incurred by Sub-Producer. This Section VII shall survive termination of this Agreement.

VIII. Termination and Suspension

8.1 Either the Company or Sub-Producer may terminate this Agreement at any time upon at least 30 days' prior written notice to the other.

8.2 However, notwithstanding anything in this Agreement to the contrary, the Company may terminate this Agreement immediately upon notice to Sub-Producer if:

a. Insolvency. Sub-Producer becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition is filed in bankruptcy or other legal proceeding is initiated providing for Sub-Producer's reorganization, dissolution or liquidation.

b. License Suspension or Revocation. Sub-Producer's license or certificate of authority is canceled, suspended or not renewed by any governmental authority.

c. Default/Misconduct/Fraud. Sub-Producer makes any material misrepresentation, or is involved in gross negligence or willful misconduct, misappropriation of funds, or fraud, or breaches any of its obligations or duties under this Agreement after notice of such default and 10 days opportunity to cure, assuming such breach is curable.

- d. Violation of Law. A charge is brought against Sub-Producer or any of Sub-Producer's executive officers for violation of any insurance laws or regulations of any jurisdiction, or of any law constituting a felony in the jurisdiction in which committed, or any law whether or not classified as a felony, the violation of which reflects adversely on the honesty and integrity of Sub-Producer or any of Sub-Producer's executive officers.
- 8.3 Suspension. In order to protect its interests or reputation, the Company may at any time, suspend the authority of Sub-Producer as to any or all the powers granted to Sub-Producer under this Agreement. The Company may also immediately suspend the authority of Sub-Producer if reinsurance is terminated or is no longer in full force and effect for all or any part of the Policies written hereunder. Notice of such suspension shall be given in writing and addressed to Sub-Producer at the last known address of Sub-Producer. Upon receipt of such notice, Sub-Producer shall thereupon cease exercising any or all such authority unless and until it receives notice in writing from the Company, that it may resume the exercise of such authority. The provisions of this Section 8.3 shall in no way diminish the right of the Company to terminate this Agreement as provided herein.
- 8.4 Waiver of Statutory Termination Rights. The Company and Sub-Producer are aware that there are or may be laws or regulations in various jurisdictions served by Sub-Producer which may be interpreted to provide Sub-Producer with certain rights of notice, "run-off", continuation of business written through Sub-Producer, prevention of termination and regulatory review and possible disapproval of the termination of this Agreement. Because this Agreement has been mutually entered into, Sub-Producer hereby specifically waives any and all rights with respect to termination of this Agreement which may now or hereafter be provided Sub-Producer by statute or regulation in recognition of that different relationship, and agrees not to impose upon or require compliance by the Company of any obligations relating to termination of this Agreement other than those provided for specifically in this Agreement.

IX. ARBITRATION

- 9.1 If any dispute, claim or difference arises out of or relates to this Agreement (a "Dispute"), including a Dispute for which a party seeks specific performance, such Dispute shall be submitted to a Board of Arbitration consisting of one arbitrator chosen by Company, one arbitrator chosen by Sub-Producer and a third arbitrator chosen by the first two arbitrators.

The party demanding arbitration shall communicate its demand for arbitration to the other party by registered or certified mail, identifying the nature of the Dispute and the name of its arbitrator, and the other party shall then be bound to name its arbitrator within thirty (30) days after receipt of the demand.

Failure or refusal of the other party to name its arbitrator shall empower the demanding party to name the second arbitrator within thirty (30) days thereafter. If the first two arbitrators are unable to agree upon a third arbitrator within thirty (30) days after the second arbitrator is named, each arbitrator shall name three candidates within ten (10) days thereafter, two of whom shall be declined by the other arbitrator within fifteen (15) days after receiving their names and within the next five days the choice shall be made between the two remaining candidates by drawing lots. The arbitrators shall be impartial and shall be active or retired officers of property or casualty insurance or reinsurance companies authorized to transact business in the United States of America.

The Board of Arbitration shall have the power to fix all procedural rules for the holding of the arbitration, including the discretionary power to make orders as to any matters which it may consider proper in the circumstances of the case with regard to pleadings, discovery, inspection of documents, examination of witnesses, and any other matter whatsoever relating to the conduct of the arbitration. The Board of Arbitration shall have the power to receive and act upon such evidence, whether oral or written, strictly admissible or not, as it shall in its discretion think fit.

The Board of Arbitration shall not award any remedy or relief that includes consequential or punitive damages.

The decision of the majority of the arbitrators shall be in writing and shall be final and binding upon the parties. If either of the parties fails to comply with the decision, the other party may apply for enforcement to any court having jurisdiction thereof.

- 9.2 Each party shall bear the cost of its own arbitrator and shall jointly and equally bear with the other party the expense of the third arbitrator. In the event both arbitrators are chosen by one party, the fees of all the arbitrators shall be equally divided between the parties. The remaining costs of the arbitration proceeding shall be allocated by the Board of Arbitration.
- 9.3 The arbitration shall be held in New York, New York unless the parties mutually agree to hold the arbitration elsewhere.
- 9.4 This agreement to arbitrate shall be binding upon the parties, their successors and assigns and any trustee, receiver or executor of any party hereto. Except to the extent required by law or court or administrative order, no party, arbitrator, representative, counsel or witness shall disclose or confirm to any person not present at the arbitration hearings any information about the arbitration proceeding or hearings, including the names of the parties and arbitrators, the nature and amount of the claims, the financial condition of any party, the expected date of the hearing or the award made.
- 9.5 This Section IX shall survive termination of the Agreement.

X. GENERAL PROVISIONS

- 10.1. Governing Law. This Agreement shall be subject to and construed under the laws of the State of New York.
- 10.2 Waiver. No waiver by either party of any default in the performance of any part of this Agreement shall constitute a waiver of any other default hereunder.
- 10.3 Amendment and Modification. No amendments to or modifications of this Agreement will be effective or valid unless made in a writing signed by both parties and specifying the effective date thereof.
- 10.4 Merger. This Agreement with any Schedules, Exhibits and Addenda constitutes the entire agreement and understanding between the parties with respect to the subject matter herein, and supersedes any previous agreements, promises or understandings between the parties. Manuals, rules, regulations, guidelines, instructions, or directions issued by the Company from time to time, as provided in this Agreement shall bind Sub-Producer as though part of this Agreement.
- 10.5 Non-Assignability. Neither this Agreement nor any rights or obligations under this Agreement may be assigned or delegated by Sub-Producer, directly or indirectly, without the prior written consent of the Company.
- 10.6 Further Action. Each party hereto agrees to perform any further acts and execute and deliver any further documents, which may be reasonably necessary to carry out the provisions of this Agreement.
- 10.7 Severability. Whenever possible, each provision of the Agreement will be interpreted in such a manner and to such an extent as to be effective and valid under applicable law. The invalidity or unenforceability of any of the terms, covenants or conditions herein contained shall not affect or render invalid or unenforceable any of the other terms, covenants or conditions herein.

10.8 Notice. Any and all notices required under this Agreement shall be in writing and shall be deemed given upon dispatch by either certified mail, return receipt requested, or facsimile (with confirmation of transmittal) to the party's address as provided below:

To Company:

Rochdale Insurance Company
5800 Lombardo Center
Cleveland, Ohio 44131
Attention: Timothy Habeck

Technology Insurance Company, Inc.
5800 Lombardo Center
Cleveland, Ohio 44131
Attention: Timothy Habeck

Wesco Insurance Company, Inc.
5800 Lombardo Center
Cleveland, Ohio 44131
Attention: Timothy Habeck

To Sub-Producer (Name, Address and Contact):

Attention:

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date and year first written above.

For Company:

For Sub-Producer:

Signature: _____

Signature: _____

Name: Timothy Habeck

Name: _____

Title: Chief Operating Officer

Title: _____

EXHIBIT A

to

Sub-Producer Agreement

with

Sub-Producer's Commission

Base Commission Schedule :

Premium Level	Commission
< \$5000	10%
\$5001 - \$7500	9%
>\$7500	8%

Exhibit B

Company Direct Bill

1. Payments are made in full directly to the Company. Sub-Producer may not deduct commissions from any payment
2. Direct billing is available on the following basis:
 - a. If premium is less than \$1000, payment in full.
 - b. If premium is greater than \$1000, payment may be in full or quarterly with 25% down and three equal monthly payments.
 - c. If the premium is greater than \$2500, payment may be in full, quarterly, or monthly with 25% down and 8 equal monthly installments.

Billing installment options are subject to change.

3. Assessments or surcharges are due in full at inception in addition to the down payment percentage. No commission is paid on assessments or surcharges.
4. Sub-Producer is responsible for collecting the deposit premium. All other premium collections are the responsibility of the company. The deposit premium is due at the time of binding.
5. An installment fee will be added to each invoice after the deposit premium in states where approved.