



## Correspondent Agreement

**THIS CORRESPONDENT AGREEMENT**, made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Columbia Commercial General Agency, Inc. (CCGA), a Missouri Corporation and \_\_\_\_\_ of \_\_\_\_\_. (Correspondent)

### **WITNESSETH:**

**WHEREAS**, CCGA is a licensed business entity producer in the States of Missouri, Kansas, Illinois, Tennessee, Arkansas, Utah and Oklahoma, and is in the business of placing contracts of insurance with various insurers admitted to do business in the State of the insured's residence; and

**WHEREAS**, Correspondent is a licensed property and casualty producer and may from time to time request CCGA to obtain property and casualty insurance coverage for customers of Correspondent;

### **THEREFORE, CCGA AND CORRESPONDENT AGREE AS FOLLOWS:**

#### **1. Scope of Agreement**

This Agreement shall govern the relationship between CCGA and Correspondent with the respect to all policies of insurance insuring clients of Correspondent heretofore or hereafter obtained by CCGA at the request of Correspondent. Nothing contained herein shall be construed to require Correspondent to obtain insurance through CCGA or to require CCGA to accept orders for insurance from Correspondent.

#### **2. Duration and Termination**

This Agreement shall continue in effect until terminated by either party upon written notice to the other party, with termination to be effective 10 days from the mailing of such notice. Notwithstanding such termination, this Agreement shall continue to apply to all policies ordered by Correspondent through CCGA prior to the effective date of termination.

#### **3. Correspondent's Authority**

Nothing contained in this Agreement shall be construed to constitute Correspondent an agent for CCGA, or any insurers represented by CCGA in any respect, and Correspondent shall have no authority to, and agrees that it will not, make representations on behalf of CCGA, or obligate CCGA to clients of Correspondent, to insurers represented by CCGA, or any other third parties.

#### **4. Ownership of Business and Expirations**

Correspondent shall have the ownership of all insurance business subject to this Agreement and the use and control of all expirations with respect to insurance obtained through CCGA, except that if Correspondent shall at any time be in default in any of its obligations hereunder, then CCGA shall have the right, so long as such default shall continue, to the exclusive use and control of any or all such expirations and to apply any proceeds thereof to the fulfillment of such obligations of Correspondent; provided, that minor accounting discrepancies shall not be deemed to constitute a default for purposes of this paragraph.

## **5. License of Correspondent**

Correspondent represents and warrants to CCGA that Correspondent is licensed as a property and casualty insurance producer and Correspondent shall continue to be so licensed during the duration of this Agreement with respect to all insurance business which Correspondent shall submit to CCGA.

## **6. Payment of Premiums**

For agency billed accounts, Correspondent shall be obligated to pay to CCGA all premiums and taxes (if any) with respect to policies of insurance ordered through CCGA by Correspondent, whether or not Correspondent shall have collected such premiums and taxes from the insured. Unless otherwise agreed in writing with respect to a particular premium and tax, the entire premium and tax on each policy shall be due and payable within twenty (20) days following the effective date/endorsement effective date. If any insured shall default in the payment of any premium and/or tax as and when due, CCGA shall have the right, and is hereby authorized by Correspondent, to take all necessary action, including legal action, to collect the premium and tax directly from the insured, but the taking of any such action by CCGA shall not relieve Correspondent of its obligation to pay such premium and tax to CCGA.

## **7. Commissions**

CCGA shall pay to Correspondent commissions upon premiums actually paid over to CCGA with respect to policies of insurance ordered through CCGA by Correspondent, at rates agreed to between CCGA and Correspondent in each individual case. CCGA shall deduct from each return premium (including any return premium arising from a cancellation ordered by CCGA), a return commission calculated at the same rate as Correspondent's original commission thereon.

## **8. Cancellations of Insurance**

Nothing contained herein shall be construed to limit or restrict any rights of cancellation contained in any binder, cover note, policy or contract of insurance. Correspondent shall not be entitled to any flat cancellation, and Correspondent shall be liable to CCGA for any earned premium and taxes (if any) thereon, whether or not Correspondent has collected from the insured.

## **9. Claims**

Correspondent shall cooperate fully with CCGA and the insurer to facilitate the investigation, adjustment, settlement and payment of any claim.

## **10. Certificates of Insurance**

The Correspondent is authorized to only issue unmodified Acord© Certificates of Insurance. Any modification, omission or substitution of wording must be pre-approved in writing by CCGA and the appropriate carrier.

## **11. Inspections and Adjustments**

CCGA or its duly authorized representatives shall have the right at any time or times, during normal business hours, to audit any insurance hereunder and to inspect Correspondent's books and records in connection therewith, to the extent such audit or inspection is deemed necessary by CCGA to verify Correspondent's compliance with its obligations under this Agreement. Correspondent shall promptly report and pay to CCGA any additional or return premiums which may become due as a result of any adjustments.

**12. Indemnification**

Correspondent shall indemnify and hold harmless CCGA with respect to any and all claims, actions, liabilities, suits and expenses, including attorneys’ fees, in any manner arising or resulting from any breach by Correspondent of any provision of this Agreement or from any warranty or representation by Correspondent contained herein being false in any material respect.

CCGA shall indemnify and hold harmless Correspondent with respect to any and all claims, actions, liabilities, suits and expenses, including attorneys’ fees, in any manner arising or resulting from any breach by CCGA of any provision of this Agreement or from any warranty or representation by CCGA contained herein being false in any material respect.

**13. No Third Party Beneficiaries**

This agreement is for the exclusive benefit of the parties hereto, and no third party, including, without limitation, any insured, is intended to be or shall be a beneficiary of any provision hereof.

**14. Additional Provisions**

Correspondent shall not assign any of its rights, or delegate any of its obligations, under this Agreement without the prior written consent of CCGA. No failure by either party to require performance by the other party of any provision hereof shall be a waiver of such provision, and no waiver or amendment of any provision hereof shall be effective unless in writing.

This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral. Subject to the prohibition against assignment or delegation by Correspondent, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

This Agreement shall be governed and interpreted by the laws of the State of Missouri and any action brought by either party shall be brought in the State of Missouri.

**15. Adjustable Policies**

CCGA agrees that, if an audit of an adjustable insurance policy results in additional premium due from the insured and if (a) Correspondent notifies CCGA in writing that Correspondent has been unable, after reasonable effort, to collect such additional premium from the insured and (b) the insurer waives CCGA’s liability for the additional premium, then CCGA will waive Correspondent’s liability for such premium. In the event of such waiver by CCGA, then, notwithstanding the provisions of paragraph 7 hereof, Correspondent shall not be entitled to any commission with respect to any part of such additional premium which may be collected from the insured.

**IN WITNESS WHEREOF**, the parties have executed this Correspondent Agreement as of the day and year first above written. By signing this agreement, the Correspondent acknowledges CCGA may perform third party business verifications.

Correspondent:	Columbia Commercial General Agency, Inc.
By: _____	By: _____
Print Name: _____	Rodney C. Smith, President
Title: _____	