



Florida Workers Compensation Joint Underwriting Association, Inc.

P.O. Box 48957, Sarasota, FL 34230-5957

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VIA E-MAIL

FWCJUA PRODUCER COMMITTEE BULLETIN 08-02

TO: Florida Workers' Compensation Joint Underwriting Association, Inc. Producer Committee
FROM: Laura S. Torrence, Executive Director
DATE: August 11, 2008
RE: **AUGUST 20, 2008 PRODUCER COMMITTEE TELECONFERENCE MEETING AGENDA**

Enclosed for your review is the agenda for the FWCJUA Producer Committee teleconference meeting scheduled for Wednesday, August 20, 2008, at 10:00 a.m. (Eastern Time). An operator will dial out to the following parties:

Dan Dannenhauer	239-850-7111
Rick Hodges	863-665-6060
Beth Vecchioli	850-224-1585
Tom Maida	850-513-3377
Jim Watford	850-413-5368

All other parties please contact Kathy Coyne at (941) 378-7408 to participate in the teleconference. Should you have any questions concerning the teleconference call or the agenda, please do not hesitate to contact me.

c: FWCJUA Board of Governors
Tom Maida, *General Counsel*
Jim Watford, *Florida Office of Insurance Regulation*
FWCJUA Interested Parties

BOARD OF GOVERNORS: Charlie Clary, *Chair*; Dan Dannenhauer, *Vice Chair*; Fred Bennett;
Terry Butler; Rick Hodges; Claude Revels; Brett Stiegel; Beth Vecchioli; James Ward

**AGENDA FOR THE MEETING OF THE PRODUCER COMMITTEE OF THE
FLORIDA WORKERS' COMPENSATION JOINT UNDERWRITING ASSOCIATION, INC.
TO BE HELD ON WEDNESDAY, AUGUST 20, 2008 AT 10:00 A.M. VIA TELECONFERENCE**

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|-------------|--|-----------------|
| I. | CALL TO ORDER AND OPENING REMARKS | Dan Dannenhauer |
| II. | ANTI-TRUST PREAMBLE (Attachment A) | Tom Maida |
| III. | AGENCY PRODUCER AGREEMENT (Attachment B) | Laura Torrence |
| IV. | GENERAL ANNOUNCEMENTS | |
| V. | ADJOURNMENT AND CLOSING REMARKS | Dan Dannenhauer |

ANTI-TRUST PREAMBLE

We are here to discuss and act on matters relating to the business of the Florida Workers' Compensation Joint Underwriting Association (FWCJUA) and not to discuss or pursue the business interests of our individual funds or companies.

We should proceed with caution and alertness towards the requirements and prohibitions of federal and state anti-trust laws.

We should not engage in discussions – either at this meeting or in private conversations – of our individual fund's or companies' plans or contemplated activities. We should concern ourselves only with the business of the Florida Workers' Compensation Joint Underwriting Association as set forth in the agenda for this meeting.

Only FWCJUA market matters may be discussed at the meeting and each fund's or company's voluntary market plans cannot be discussed.

AGENCY PRODUCER AGREEMENT

The Producer Committee shall consider several staff recommendations related to the Agency Producer Agreement authorization process.

Specifically, staff is recommending the following:

1. Permit the payment of producer fees on outstanding business of authorized agencies and their designated producers during an FWCJUA suspension of their privileges to submit new and renewal business;
2. Require the complete reapplication for authorization to submit business to the FWCJUA every two years rather than the renewal of such given the complexity of the Agency Producer Agreement related to the number of parties that must be identified within or execute the Agreement;
3. Clarify that at all times during their agreement with the FWCJUA, every agency and its designated producers must:
 - a. serve as an insurance agent or insurance agency, as the case may be, of an insurer actively writing workers' compensation and employers' liability insurance **in the voluntary market** in the state of Florida, pursuant to a certificate of authority issued by the Florida Office of Insurance Regulation;
 - b. must abide by the FWCJUA Plan of Operation, **as amended from time to time**;
 - c. provide proof of errors and omissions or professional liability coverage **through a valid certificate of insurance issued to the FWCJUA**;
4. Clarify that the FWCJUA has **one** office located at 6003 Honore Ave. Suite 204 Sarasota, Florida 34238.
5. Ensure consistency between the Agency Producer Agreement and the Operations Manual by clarifying in the Agreement that the FWCJUA may, in its sole discretion, immediately suspend or terminate the Agreement upon the occurrence of **any material misrepresentation made in connection with FWCJUA business or the demonstrated lack of competency, fitness or trustworthiness to act as an Agency or Designated Producer.**

Attached for the Committee's review is a copy of the proposed revised Agency Producer Agreement along with the corresponding Operations Manual revisions. The changes are indicated in **red and yellow highlight** with either strikeout or underscore for quick reference. If ultimately adopted by the Board, the revised Agreement and corresponding Operations Manual pages will be filed for OIR approval.

The Producer Committee shall determine whether to recommend that the Board consider the above-referenced staff recommendations related to the Agency Producer Agreement authorization process. Further, The Committee shall determine whether to recommend that the Rates & Forms Committee consider the proposed revisions to the Agency Producer Agreement and corresponding revisions to the Operations Manual for recommendation to the Board as the vehicles to implement the proposed procedural changes and clarifications as soon as practicable.

AGENCY PRODUCER AGREEMENT

This Agency Producer Agreement is made and entered into this ____ day of _____ 20__, by and between the FLORIDA WORKERS' COMPENSATION JOINT UNDERWRITING ASSOCIATION, INC. (the "FWCJUA"), a corporation not for profit organized and existing under the laws of the State of Florida, _____, an insurance agency duly licensed or registered to do business in the state of Florida, pursuant to Chapter 626, Florida Statutes (the "Agency"), and the general lines insurance agent or agents working at each Agency location, duly licensed to act as such by the Florida Department of Financial Services, who are identified in the attached Exhibit A (referred to herein, both singularly and plurally, as the case may be, as the "Designated Producer"). This Agency Producer Agreement shall hereinafter be referred to as the "Agreement." By signing this Agreement in the space provided in Exhibit A, each Designated Producer is a party to the Agreement and agrees to be bound by its terms and provisions.

The Agency, each Designated Producer, and the FWCJUA, agree as follows:

SECTION I – AUTHORIZATION

1.1. Authorization; Generally. The FWCJUA hereby authorizes the Agency to submit qualified Florida workers' compensation business to the FWCJUA. The Agency shall only submit to the FWCJUA such business as is qualified for coverage pursuant to section 627.311(5), Florida Statutes, as amended from time to time, and the FWCJUA Plan of Operation. The Agency, its directors, officers, members, partners, employees, the Designated Producers, and any customer service representatives ("CSRs") working under the supervision of the Designated Producers, are independent contractors, and not employees, representatives or agents of the FWCJUA. Attached to this Agreement, and made a part hereof as Exhibit A, is a list of each Agency location, which includes the following information with respect to each location: (i) Agency address and telephone number; (ii) Agency license or registration number; (iii) name of the agent-in-charge; (iv) name and Florida license number of each Designated Producer, if any; (v) qualifying appointment for each Designated Producer, if any; and (vi) the name and license number of any CSRs authorized by the Agency to transact business related to the FWCJUA and working under the supervision of a Designated Producer. Only those Designated Producers and CSRs designated in writing by the Agency with respect to each Agency location may transact business related to the FWCJUA. The Agency shall notify the FWCJUA in writing of any changes in the information listed in Exhibit A, including, but not limited to, any changes with respect to the addition or deletion of Agency locations, Designated Producers or CSRs. Such notice shall be provided by the Agency to the FWCJUA prior to the change whenever practicable, but in no event shall such notice be provided to the FWCJUA later than 10 days after such change occurs. The FWCJUA will not accept any business from a Designated Producer which has not been added to Exhibit A of this Agreement. The FWCJUA may, in its discretion, choose to communicate only with Designated Producers and CSRs so designated by the Agency. The FWCJUA may, in its discretion, decline to permit, or withdraw permission for any Agency location, Designated Producer or CSR to transact business related to the FWCJUA.

1.2. License. As a condition of maintaining authorization to submit business to the FWCJUA, the Agency at all times during the term hereof (a) shall be duly licensed or registered by the Florida Department of Financial Services (the "Department") for each location identified in Exhibit A, (b) employ at least one Designated Producer for at least one of the locations identified in Exhibit A, (c) the Designated Producers and CSRs transacting business related to the FWCJUA shall be duly licensed to perform the services they perform related to the FWCJUA, and (d) any CSR authorized to communicate with the FWCJUA shall be under the direct supervision of a Designated Producer. The Agency shall be responsible for the job performance, as required by law, this Agreement, or otherwise, of the Designated Producers and CSRs authorized to transact business related to the FWCJUA. The Designated Producers shall be responsible for any act or failure to act of the CSRs working under their supervision.

1.3. Other Markets. As a condition of maintaining authorization to submit business to the FWCJUA, the Designated Producer or the Agency shall at all times during the term hereof serve as an insurance agent or insurance agency, as the case may be, of an insurer actively writing workers' compensation and

employers' liability insurance **in the voluntary market** in the state of Florida, pursuant to a certificate of authority issued by the Florida Office of Insurance Regulation. The Designated Producer or the Agency, as the case may be, shall provide proof of such business relationship at the time of application and at the time of renewal or replacement.

SECTION II – DUTIES OF THE AGENCY & DESIGNATED PRODUCERS

2.1. Compliance with FWCJUA Guidelines. The Agency and Designated Producers shall abide by the FWCJUA Plan of Operation, **as amended from time to time**, including its Articles of Incorporation, the Bylaws, ~~as amended from time to time,~~ and the Operations Manual. Copies of these documents are available at the offices of the FWCJUA, located at 6003 Honore Ave. Suite 204 Sarasota, Florida 34238 and on the FWCJUA's Internet web site, at www.fwcjua.com. The Agency and Designated Producers are responsible for obtaining copies of these documents and ensuring that the CSRs understand their contents.

2.2. No Authority to Bind the FWCJUA. Neither the Agency nor a Designated Producer is an agent of the FWCJUA or any FWCJUA Service Provider, and they have no authority, actual or apparent, to bind the FWCJUA or any Service Provider. Neither the Agency nor a Designated Producer shall represent to any person, either expressly or by implication, that the Agency or the Designated Producer is an agent of the FWCJUA or any Service Provider. Toward that end, neither the Agency nor a Designated Producer shall use any materials provided by the FWCJUA or any Service Provider in such a manner as to create the impression that an agency relationship exists between the Agency and the FWCJUA or any Service Provider.

2.3. Duty to Provide Information. The Agency and Designated Producers shall use reasonable care to furnish information to the FWCJUA which is accurate in all respects. All applications, reports, correspondence and claim information shall be forwarded to the FWCJUA or its designee within the time limits set forth in the FWCJUA Plan of Operation and this Agreement.

2.4. Remittance of Premiums. All premiums, assessments, penalties, fees or surcharges whether in excess of the advance or deposit premium or not, received on FWCJUA business shall be remitted to the FWCJUA or its designee no later than the first business day following the day the premiums, assessments, penalties, fees or surcharges were received by the Agency or the Designated Producer.

2.5. Applications. The Agency and Designated Producers shall adopt and maintain procedures to ensure that all FWCJUA insurance applications are complete and accurate. All applicants shall be furnished a copy of the completed application at the time of writing. The Agency and Designated Producers shall not enlarge, limit, modify, or interpret the questions asked or information provided in the application.

2.6. Records. The Agency shall maintain full and complete records of all transactions related to FWCJUA business. The Agency shall maintain such books and records as are customarily maintained by property and casualty insurance agents in the ordinary course of their business, including, without limitation, receipt books and records of daily deposits.

2.7. Indemnity. The Agency agrees to indemnify and hold harmless the FWCJUA, and all officers, agents and employees of the FWCJUA, from all loss, claims, damages, fees and expenses, including attorneys' fees and costs and other expenses, reasonably incurred or paid on account of any wrongful act or any error or omission of the Agency or any Designated Producer or CSR, including any violation of this Agreement or any provision of the FWCJUA Plan of Operation.

2.8. Errors and Omission Coverage. The Agency shall at all times this Agreement is in effect maintain errors and omissions insurance or professional liability insurance covering the Agency, all Designated Producers and CSRs. If the errors and omissions or professional liability coverage is provided on a claims-made basis, the policy shall remain in effect for a period of no less than five (5) years following any termination of this Agreement for any wrongful acts arising under this Agreement. The errors and omissions or professional liability coverage must be issued by an insurer authorized to do business in Florida, in an amount not less than \$500,000 per occurrence. The Agency shall provide proof of the coverage **through a valid certificate of insurance issued to the FWCJUA** when it signs this Agreement, and shall furnish proof of

renewal, replacement, cancellation, or nonrenewal to the FWCJUA at the time of renewal, replacement, cancellation or nonrenewal. Failure to maintain adequate errors and omissions or professional liability coverage shall automatically terminate this Agreement. The Agency's obligation to indemnify the FWCJUA is in no way limited by the limits of its errors and omissions or professional liability coverage.

2.9. Inspection. All books and records of the Agency and Designated Producers related to FWCJUA business shall be open for inspection and audit by the FWCJUA or its authorized representative during normal business hours. This provision shall survive for a period of five (5) years after the termination of the Agreement.

2.10 Refund of Fees. When notified of cancellation, coverage changes or midterm termination, the Agency will promptly refund any unearned producer fees to the FWCJUA.

2.11 Communication. The Agency and Designated Producers will be responsible for communicating the rules and regulations set forth in the FWCJUA Plan of Operation to the CSRs. In addition, it is the responsibility of the Agency and Designated Producers to disseminate any information sent to them by the FWCJUA or any Service Provider via e-mail, fax or mail as appropriate to CSRs, applicants and policyholders.

SECTION III – DUTIES OF THE FWCJUA

3.1 Compensation. The FWCJUA shall pay to the Agency the compensation set forth in Section V hereof.

3.2 Monthly Statement. The FWCJUA shall forward to the Agency a monthly statement showing all producer fee transactions. The statement shall be issued by the 15th day of each calendar month and shall state the policies issued, insured's name, fees earned, and shall state the unearned fees due, if any, by policy number and insured name. The schedule shall be supplementary to the notice of cancellation or termination which shall serve as the notice to the Agency of the time and amount of unearned premium due. Any failure of the FWCJUA shall not relieve the Agency of any of its responsibilities under the Agreement.

3.3 Inquiries. The FWCJUA will communicate with Designated Producers and CSRs designated by the Agency when the Agency or a Designated Producer has questions concerning the risks it is placing with the FWCJUA, including premium remittances and producer fees. Notwithstanding this responsibility, the Agency's or a Designated Producer's inability to contact the FWCJUA with any inquiries shall not justify the Agency's or a Designated Producer's noncompliance with any of the requirements of this Agreement, or other rules or procedures incorporated by reference herein.

SECTION IV – TERM AND TERMINATION

4.1 Effective Date. The effective date of this Agreement is the date indicated below in the signature block as completed by the FWCJUA (the "Effective Date"); provided, however, that the Agency and Designated Producer by execution of this Agreement hereby acknowledge and agree that the terms and conditions of this Agreement shall apply to any and all business submitted by the Agency to the FWCJUA prior to the Effective Date of this Agreement, where the policy effective dates of such business coincide with or are subsequent to the Effective Date of this Agreement, regardless of whether such business is submitted to the FWCJUA prior to execution of this Agreement by the Agency or Designated Producer. The FWCJUA will not accept applications for business under this Agreement where the policy effective dates of such business precede the Effective Date of this Agreement.

4.2 Term. This Agreement shall have **an initial a** term of two (2) years, which shall commence on the Effective Date. ~~This Agreement may be renewed for additional terms of two (2) years each, provided that, no later than forty five (45) days prior to the end of the initial or any renewal term of this Agreement, the Agency delivers to the FWCJUA the following: (a) payment of the renewal fee prescribed by the FWCJUA for each Designated Producer listed on the attached Exhibit A; (b) a certificate of insurance which evidences that the Agency is insured for errors and omissions in accordance with paragraph 2.8 hereof. The Agency will be responsible for providing on an annual basis, no later than forty five (45) days prior to the Agency's~~

~~anniversary date, a certificate of insurance which evidences that the Agency is insured for errors and omissions in accordance with paragraph 2.8 hereof.~~

4.3. Termination. This Agreement shall automatically terminate immediately, without notice and without further action by the FWCJUA, upon the occurrence of any of the following events: (a) the dissolution of the FWCJUA, by operation of law or otherwise; (b) the loss, surrender, suspension, revocation, expiration or termination of the Agency's license or registration of all Agency locations with Designated Producers; or (c) in the case where the Agency or any Agency location has only one Designated Producer, the loss, surrender, suspension, revocation, expiration or termination of the Designated Producer's license or registration with respect to the Agency or the Agency location, in which case termination shall be effective with respect to the Agency or particular Agency location, as applicable. The FWCJUA may, in its sole discretion, immediately ~~suspend or~~ terminate this Agreement upon the occurrence of any of the following events: (a) the Agency's or a Designated Producer's failure to comply with the FWCJUA Plan of Operation, including its Operations Manual; (b) the Agency's failure to have and maintain a Designated Producer in its employ for an Agency location; (c) any act or omission which would constitute grounds for suspension or revocation of the Agency's or a Designated Producer's privileges pursuant to the Operations Manual; (d) failure to comply with policies or procedures adopted by the FWCJUA's Board of Governors; (e) failure to comply with paragraphs 1.3 or 2.8 of this Agreement; (f) ~~any material misrepresentation made in connection with FWCJUA business;~~ (g) any material breach of this Agreement; (gh) any violation of law; ~~or~~ (hi) upon a change of control of 10 percent or more of the Agency's voting shares or other voting ownership interests, if the FWCJUA determines that such change of control would provide grounds for termination of this Agreement ~~or~~ (i) ~~demonstrated lack of competency, fitness or trustworthiness to act as an Agency or Designated Producer.~~ If the Agency has multiple locations with Designated Producers, as listed in Exhibit A, the FWCJUA may, in its sole discretion, apply the termination of this Agreement as to any or all of the Agency locations. In the event the FWCJUA terminates this Agreement with respect to one or more, but not all, of the locations or Designated Producers of an Agency, the FWCJUA will provide written notice to the Agency of the particular locations or Designated Producers to which the termination applies.

4.4 Use of FWCJUA's Name. After termination of this Agreement pursuant to paragraph 4.3 above, neither the Agency nor a Designated Producer shall represent itself in any way as being associated with the FWCJUA and will not use the name of the FWCJUA on any applications, statements, correspondence or other documents or instruments or in any sales promotion materials, circulars, advertisements or otherwise.

4.5 Producer Fees. Neither the Agency nor a Designated Producer shall be entitled to receive the payment of any fees from the FWCJUA after termination of this Agreement; provided, however, that this shall not affect the Agency's right to receive fees which are fully earned prior to such termination.

SECTION V – COMPENSATION

5.1 Rate of Producer Fees. The rate of fees payable to the Agency by the FWCJUA on business written by the FWCJUA shall be based upon standard premium exclusive of any surcharges and the flat fee, and shall be calculated in accordance with the "Producer Fee Table" as the same may be approved from time to time by the FWCJUA Board of Governors ("the Board"). Until further action by the Board, the table included in the FWCJUA Operations Manual shall govern.

5.2 Additional Fees and Charges. Neither the Agency nor a Designated Producer shall charge fees or additional service charges, premium charges, charges for completing an application or any other charges which are not specifically authorized by the FWCJUA.

5.3 Expenses. The FWCJUA shall not be responsible for any expenses of the Agency and Designated Producers, including, without limitation, rent, transportation, salaries, license fees or taxes, occupational fees or taxes, collection fees, solicitors fees, postage and advertising.

SECTION VI – LIMITATIONS OF AUTHORITY

6.1 Bad Checks. The Agency shall not issue checks, drafts, or similar negotiable or non-negotiable instruments if they will be returned unpaid due to insufficient funds in the Agency's account at the time they are issued or any time thereafter.

6.2 Misrepresentation. The Agency and Designated Producers will not provide any false, inaccurate or misleading information on applications or with respect to claims or other material matters submitted to the FWCJUA or any Service Provider. The Agency will be primarily responsible for misrepresentations on applications regardless of whether those misrepresentations originated with the applicant, the Agency, a Designated Producer or CSR. The errors and omissions coverage maintained by each Agency shall provide for, but not be limited to, indemnification of the FWCJUA for any amounts paid to or on behalf of an insured which would not have been paid absent the misrepresentation.

6.3 Apparent Agency. During the term of this Agreement and after its termination, neither the Agency nor a Designated Producer will hold itself out or represent itself to be an agent or representative of the FWCJUA or any Service Provider.

6.4. Certificates of Insurance. Neither the Agency nor a Designated Producer shall issue FWCJUA certificates of insurance without the prior written consent of the FWCJUA or its Service Provider. The only party authorized by the FWCJUA with the discretionary power to issue certificates of insurance is its Service Provider. The Agency and Designated Producers shall only be given permission to issue a certificate of insurance, if at all, on an individual case-specific basis.

Further, the FWCJUA may take disciplinary action against the Agency or a Designated Producer for issuing certificates of insurance without the advance authorization of the FWCJUA or its Service Provider, including suspension or revocation of either the Agency's privilege to submit business to the FWCJUA or the Designated Producer's privilege to transact business related to the FWCJUA. Certificates of Insurance will be issued by the Service Provider within five (5) working days of receipt of the request provided the policy has been issued. Often, more immediate issuance is required. If so, the Agency or a Designated Producer must contact the Service Provider to request permission to issue a specific certificate of insurance. The Service Provider has the authority to decide whether to permit the Agency or a Designated Producer to issue the specific certificate of insurance.

6.5 Producer Notarization Prohibition. Pursuant to Florida Statutes Section 117.107(12), a notary public may not notarize a signature on a document if the notary public has a financial interest in or is a party to the underlying transaction. Therefore, the FWCJUA will not accept any document which has been notarized by a Designated Producer identified or required to be identified in Exhibit A to this Agreement or by an owner identified or required to be identified in Exhibit B to this Agreement.

SECTION VII – FINANCED PREMIUMS

When the Agency or a Designated Producer has assisted or arranged for an applicant to finance premiums through a finance company, the financed premiums are to be handled in accordance with this Agreement and the requirements of the FWCJUA Plan of Operation.

SECTION VIII – GENERAL PROVISIONS

8.1 Transfer; Assignment. This Agreement shall not be transferred, assigned or pledged by the Agency or a Designated Producer without the prior written consent of the FWCJUA.

8.2 Independent Contractor. The Agency and Designated Producers are independent contractors and nothing contained herein shall be construed to create the relationship of employer and employee, partnership, agency, or joint venture between the FWCJUA or any Service Provider and the Agency or Designated Producers.

8.3 Entire Agreement. This Agreement shall supersede all prior agreements between the parties hereto and, together with the FWCJUA Plan of Operation, constitutes the sole and entire agreement between the parties. There is and there can be no other verbal or written contract, agreement, understanding or custom whereby the terms of this Agreement have been or can be affected, changed, varied, modified, interpreted, construed or waived in any manner whatsoever unless set forth in writing by the FWCJUA and the Agency and the Designated Producers.

8.4 Notice. All notices hereunder shall be given by registered or certified mail, express mail, or overnight courier, to the following:

If to the FWCJUA:

If to the Agency:

8.5 Waiver of Default. The failure of the FWCJUA to take any action respecting a default by the Agency or a Designated Producer shall not be deemed to constitute a waiver of a subsequent default or an amendment to this Agreement. Delay by the FWCJUA in taking any action respecting such default shall not constitute a waiver of that default.

8.6 Advertisements; Prior Review. Neither the Agency nor a Designated Producer shall include the FWCJUA name, logo, or acronym on any written material or in any broadcast without the prior approval therefor by the FWCJUA.

8.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to the principles of conflicts of law) applicable to a contract executed and to be performed in this state.

8.8 Venue. In any proceeding involving the enforcement or interpretation of this Agreement, or related to any other dispute between the FWCJUA and the Agency or a Designated Producer, venue shall be in Sarasota County, Florida.

8.9 Headings, etc. The headings used in this Agreement have been inserted for convenience only, and do not constitute matter to be construed or interpreted in connection with this Agreement. Unless the context otherwise requires, (a) words of any gender will be deemed to include the other gender; (b) words using the singular or plural form will also include the plural or singular form, respectively; (c) the terms "hereof," "herein," "hereby," and derivative or similar words will refer to this entire Agreement; and (d) the conjunction "or" will denote anyone or more, or any combination or all, of the specified items or matters involved in the respective lists.

8.10 Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future law, and if the rights or obligations of any party under this Agreement would not be materially and adversely affected thereby, (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom; and (d) in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a legal, valid, and enforceable provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible.

8.11 Execution in Counterparts. This Agreement, including Exhibit A, may be executed in one or more counterparts by facsimile transmission. This form of execution shall constitute an original execution of this Agreement by each of the parties hereto. Each party hereto shall execute an original version of this Agreement as soon as is practicable, such original version to replace the facsimile version.

8.12 Construction and Interpretation. This Agreement shall not be more strictly construed or interpreted against the party which prepared this Agreement.

SECTION IX – AGENCY OWNERSHIP & MANAGEMENT

The Agency shall list in Exhibit B attached hereto and made a part hereof by reference the identity of all Agency officers, senior managers, directors, partners, and any persons who own or have the right to control 10 percent or more of the voting shares or other voting ownership interests of the Agency, including any or all of the Agency locations listed in Exhibit A. The Agency shall notify the FWCJUA in writing of any changes in the information listed in Exhibit B, including, but not limited to, any changes with respect to the addition or deletion of Agency officers, senior managers, directors, partners, or any person who owns or has the right to control 10 percent or more of the voting shares or other voting ownership interests of the Agency. Such notice shall be provided by the Agency to the FWCJUA prior to the change whenever practicable, but in no event shall such notice be provided to the FWCJUA later than 10 days after such change occurs.

IN WITNESS WHEREOF, the Agency and the FWCJUA have signed this Agreement on the date first written above.

**FLORIDA WORKERS' COMPENSATION
JOINT UNDERWRITING ASSOCIATION, INC.**

(Agency Name)

By: _____
(Authorized FWCJUA Representative's Signature)

(Authorized Agency Principal's Signature)

Name: _____
(Authorized FWCJUA Representative's Name)

(Print Authorized Agency Principal's Name)

Title: _____

(Agency FEIN Number)

Effective Date: _____
(To be completed by FWCJUA)

**Agency Producer Agreement
Exhibit A**

**AGENCY LOCATIONS, DESIGNATED PRODUCERS AND
CUSTOMER SERVICE REPRESENTATIVES ADDENDUM**

I _____(Name of Authorized Agency Principal) certify on behalf of _____(Agency Name) that (i) the following Agency locations constitute all of the Agency's locations, (ii) all of the Agency's locations are duly licensed or registered (copies attached) by the Florida Department of Financial Services (the "Department"); (iii) the Designated Producers, if any, listed for each Agency location are individuals licensed by the Department as general lines insurance agents (copy attached) with at least one qualifying appointment; (iv) the CSRs, if any, listed for each Agency Location are duly licensed by the Department (copy attached), are employees of the Agency working under the direct supervision of a Designated Producer, and are authorized by the Agency to transact business related to the FWCJUA.

By executing this Exhibit A, each Designated Producer hereby expressly acknowledges and agrees that he or she has received a complete copy of the Agency Producer Agreement to which this Exhibit A is attached, and such Designated Producer agrees to be bound by the terms of the Agreement.

A separate Exhibit A should be completed and attached to the Agreement for each Agency location, and additional copies of Exhibit A may be copied as necessary to list additional Designated Producers and CSRs if additional space is needed. If an Agency location has no Designated Producer, the Agency should indicate "none" in the first blank provided for the Designated Producer's name.

AGENCY LOCATION INFORMATION:

Agency Name (including d/b/a if applicable)

Agency Location Address

Agency Location Telephone Number

Agency License or Registration Number

Name of Agent-In-Charge

DESIGNATED PRODUCERS AT AGENCY LOCATION:

- | | | |
|--|---------------------------|---|
| 1) _____
(Print Designated Producer Name) | _____
(License number) | _____
(Florida WC Insurer Appointment) |
| _____
(Producer Signature) | _____
(Phone Number) | _____
(E-mail Address) |
| 2) _____
(Print Designated Producer Name) | _____
(License number) | _____
(Florida WC Insurer Appointment) |
| _____
(Producer Signature) | _____
(Phone Number) | _____
(E-mail Address) |
| 3) _____
(Print Designated Producer Name) | _____
(License number) | _____
(Florida WC Insurer Appointment) |
| _____
(Producer Signature) | _____
(Phone Number) | _____
(E-mail Address) |

Agency Producer Agreement Exhibit A

DESIGNATED PRODUCERS AT AGENCY LOCATION (Continued):

4) _____ (Print Designated Producer Name)	_____ (License number)	_____ (Florida WC Insurer Appointment)
_____ (Producer Signature)	_____ (Phone Number)	_____ (E-mail Address)
5) _____ (Print Designated Producer Name)	_____ (License number)	_____ (Florida WC Insurer Appointment)
_____ (Producer Signature)	_____ (Phone Number)	_____ (E-mail Address)
6) _____ (Print Designated Producer Name)	_____ (License number)	_____ (Florida WC Insurer Appointment)
_____ (Producer Signature)	_____ (Phone Number)	_____ (E-mail Address)
7) _____ (Print Designated Producer Name)	_____ (License number)	_____ (Florida WC Insurer Appointment)
_____ (Producer Signature)	_____ (Phone Number)	_____ (E-mail Address)

CUSTOMER SERVICE REPRESENTATIVES:

1) _____ (Print CSR Name)	_____ (License number)	_____ (Name of Supervising Designated Producer)
_____ (Phone Number)	_____ (E-mail Address)	
2) _____ (Print CSR Name)	_____ (License number)	_____ (Name of Supervising Designated Producer)
_____ (Phone Number)	_____ (E-mail Address)	
3) _____ (Print CSR Name)	_____ (License number)	_____ (Name of Supervising Designated Producer)
_____ (Phone Number)	_____ (E-mail Address)	
4) _____ (Print CSR Name)	_____ (License number)	_____ (Name of Supervising Designated Producer)
_____ (Phone Number)	_____ (E-mail Address)	
5) _____ (Print CSR Name)	_____ (License number)	_____ (Name of Supervising Designated Producer)
_____ (Phone Number)	_____ (E-mail Address)	

ATTACH ADDITIONAL PAGES AS NEEDED

FWCJUA OPERATIONS MANUAL REVISIONS

PART FOUR – AGENCY AND DESIGNATED PRODUCERS

A. ELIGIBILITY, amend 3rd paragraph as follows:
The Agency must maintain errors and omissions insurance **or professional liability insurance issued by an insurer authorized to do business in Florida covering the Agency, all Designated Producers and CSRs** in an amount not less than \$500,000 per occurrence.

A. ELIGIBILITY, amend 6th paragraph as follows:
Each Designated Producer or the Agency must serve as an insurance agent or insurance agency, as the case may be, of an insurer actively writing workers' compensation and employers' liability insurance **in the voluntary market** in the state of Florida, pursuant to a certificate of authority issued by the Florida Office of Insurance Regulation.

M. AGENCY AND/OR DESIGNATED PRODUCER SUSPENSION OR REVOCATION

An Agency is generally responsible for the acts and omissions of its Producers, Designated Producers and CSRs. Accordingly, an Agency must ensure that its Producers, Designated Producers, and CSRs comply with and satisfy all duties and responsibilities arising under this Manual, regardless of whether this Manual expressly states that the duty or responsibility is applicable to the Agency. In addition, Designated Producers must ensure that their Agencies and CSRs comply with and satisfy all duties and responsibilities arising under this Manual, regardless of whether this Manual expressly states that the duty or responsibility is applicable to a Designated Producer.

The privilege to act as an Agency or its Designated Producer for the FWCJUA shall automatically terminate immediately, without notice and without further action by the FWCJUA, upon the occurrence of any of the following events:

1. the dissolution of the FWCJUA, by operation of law or otherwise; or
2. the loss, surrender, suspension, revocation, expiration or termination of the Agency's license or registration of all Agency locations with Designated Producers; or
3. in the case where the Agency or any Agency location has only one Designated Producer, the loss, surrender, suspension, revocation, expiration or termination of the Designated Producer's license or registration with respect to the Agency or the Agency location, in which case termination shall be effective with respect to the Agency or particular Agency location, as applicable.

The privilege to act as an Agency or its Designated Producer for the FWCJUA may be suspended or revoked by the Executive Director of the FWCJUA ("Executive Director"), upon written notice to the Agency, upon the occurrence of any of the following events:

1. the Agency's or a Designated Producer's failure to comply with the FWCJUA Plan of Operation, including its Operations Manual;
2. the Agency's failure to have and maintain a Designated Producer in its employ for an Agency location;
3. any act or omission which would constitute grounds for suspension or revocation of the Agency's or a Designated Producer's privileges pursuant to the Operations Manual;
4. failure to comply with policies or procedures adopted by the FWCJUA's Board of Governors;
5. failure to at all times during the term of the Agency Producer Agreement to serve as an insurance agent or insurance agency, as the case may be, of an insurer actively writing workers' compensation and employers' liability insurance **in the voluntary market** in the state of Florida;
6. failure of the Agency at all times the Agency Producer Agreement is in effect to maintain **and evidence through a valid certificate of insurance issued to the FWCJUA** the required minimum errors and omissions insurance or professional liability insurance covering the Agency, all Designated Producers and CSRs as prescribed in section 2.8 of the Agreement;
7. any material misrepresentation made in connection with FWCJUA business;
8. any material breach of the Agency Producer Agreement;
9. any violation of law; or

10. upon a change of control of 10 percent or more of the Agency's voting shares or other voting ownership interests, if the FWCJUA determines that such change of control would provide grounds for termination of the Agency Producer Agreement.
11. Demonstrated lack of competency, fitness or trustworthiness to act as an Agency or Designated Producer.

If the Agency has multiple locations with Designated Producers, as listed in Exhibit A of the Agency Producer Agreement, the Executive Director may apply the suspension or revocation to any or all of the Agency locations. In the event the Executive Director terminates the Agency Producer Agreement with respect to one or more, but not all, of the locations or Designated Producers of an Agency, the Executive Director will provide written notice to the Agency of the particular locations or Designated Producers to which the suspension or revocation applies.

The Executive Director may suspend the privileges of an Agency and/or specified of its Designated Producers for a period of not less than 30 days nor more than 365 days, or the Executive Director may revoke the privileges of the Agency and/or specified of its Designated Producers. The Executive Director's decision shall be based upon (i) the circumstances or severity of the misconduct or violation; (ii) the repeated nature of the misconduct or violation; (iii) the willfulness of the misconduct or violation; (iv) whether, and the extent to which, the Agency and/or Designated Producer voluntarily took action to rectify or mitigate the damage caused by the misconduct or violation; and (v) whether the Agency and/or Designated Producer attempted to evade or otherwise thwart the discovery of the violation or misconduct.

The Executive Director shall provide the Agency with written notice of the Agency's and/or Designated Producer's suspension or revocation by certified United States mail, return receipt requested, sent to the Agency's last known address shown on the records of the FWCJUA. The written notice shall inform the Agency of (i) the revocation or suspension of the Agency's and/or its Designated Producer's privilege; (ii) the effective date of the revocation or suspension; (iii) if privilege has been suspended, the length of the term of the suspension; (iv) the reason or reasons for which the Agency's and/or its Designated Producer's privilege has been suspended or revoked; and (v) the Agency's right to appeal the Executive Director's decision.

Any Agency whose privilege has been revoked or suspended, or whose Designated Producer's privilege has been revoked or suspended may appeal the Executive Director's decision by providing the Executive Director with written notice of the appeal. Such written notice must be sent via certified mail return receipt requested or by overnight courier signature required and be received by the Executive Director within 21 calendar days after the Agency received written notification of the suspension or revocation of the Agency or its Designated Producer's privilege; otherwise the Agency shall be deemed to have waived the right to appeal. Any appeal by the Agency shall be heard by the Board's Producer Appeals Committee within 60 calendar days after the Executive Director receives the Agency's notice of appeal. The Producer Appeals Committee shall send the Agency notice of its decision within 15 calendar days after the committee meeting at which it hears the Agency's appeal. The decision of the Producer Appeals Committee shall be final.

The Producer Appeals Committee shall have the authority to (i) affirm the Executive Director's decision in its entirety; (ii) modify the Executive Director's decision and reduce the revocation to a suspension for a specified term or reduce the length of the suspension; or (iii) reverse the Executive Director's decision and immediately reinstate the Agency's and/or its Designated Producer's privilege.

No Agency, whose privilege has been revoked ~~or suspended~~, shall receive agency producer fees based on premiums earned by the FWCJUA while the Agency's privilege is revoked ~~or suspended~~, regardless of when the business was produced or bound. Furthermore, no Agency shall receive agency producer fees for business produced by a Designated Producer, whose privilege has been revoked ~~or suspended~~, based on premiums earned by the FWCJUA while the Designated Producer's privilege is revoked ~~or suspended~~, regardless of when the business was produced or bound.

Any Agency or Designated Producer whose privilege is revoked may apply for reinstatement not earlier than two years after the effective date of the revocation. No application for reinstatement shall be granted unless the Agency or Designated Producer demonstrates to the satisfaction of the Executive Director (i) that the reason or reasons for the revocation no longer exist and are unlikely to reoccur; (ii) that restitution, if appropriate, has been made; (iii) that the Agency or Designated Producer is sufficiently

competent and trustworthy to act in the future as an Agency or Designated Producer; and (iv) that the Agency or Designated Producer otherwise meets the qualifications of an Agency or Designated Producer as set forth in the Manual. The Executive Director may grant reinstatement to an Agency or Designated Producer subject to reasonable conditions or limitations.

Any Agency whose request for reinstatement of privileges has been denied, or whose Designated Producer's request for reinstatement of privileges has been denied may appeal the Executive Director's decision by providing the Executive Director with written notice of the appeal. Such written notice must be sent via certified mail return receipt requested or by overnight courier signature required and be received by the Executive Director within 21 calendar days after the Agency received written notification of the denial of the Agency or its Designated Producer's request for reinstatement; otherwise the Agency shall be deemed to have waived the right to appeal. Any appeal by the Agency shall be heard by the Board's Producer Appeals Committee within 60 calendar days after the Executive Director receives the Agency's notice of appeal. The Producer Appeals Committee shall send the Agency notice of its decision within 15 calendar days after the committee meeting at which it hears the Agency's appeal. The decision of the Producer Appeals Committee shall be final.

The Producer Appeals Committee shall have the authority to (i) affirm the Executive Director's decision in its entirety; (ii) modify the Executive Director's decision; or (iii) reverse the Executive Director's decision and permit the reinstatement of the Agency's or the Designated Producer's privilege.

No decision by the Board, the Executive Director or the Producer Appeals Committee shall constitute "final agency action," nor shall any proceedings or decision by any of them be subject to Chapter 120, Florida Statutes.