

ClassicPlan

Insurance Premium Financing

PRODUCER AGREEMENT FOR HANDLING OF INSURED'S MONTHLY LOAN PAYMENTS AND AUTHORIZATION AND POWER OF ATTORNEY TO CHARGE AND DEBIT TRUST CHECKING ACCOUNT (ACH AGREEMENT)

While ClassicPlan discourages the Producer from accepting loan payments made by the Producer's insureds, ClassicPlan recognizes that in some instances the Producer and it's insured may wish this to occur. This agreement governs those occurrences, it being understood that this agreement does not modify the terms of the insured's loan agreement with ClassicPlan in any fashion.

1. If the Producer receives and accepts a ClassicPlan loan payment from an insured, the Producer shall advise the insured that the payment will be forwarded to ClassicPlan, but will not be deemed received for credit as a loan payment until the payment is received by ClassicPlan.

A. If the payment is in the form of cash or a check payable to the Producer, the Producer may handle the payment in accordance with whatever arrangements the Producer made with his/her insured.

(1) If the Producer elects to forward the insured's check to ClassicPlan, it will be handled by ClassicPlan in the same fashion as if received directly from the insured.

(2) If the Producer elects to forward his/her own check drawn on his/her agency trust account, ClassicPlan shall provisionally credit the insured's loan account with the funds represented by the check as and when the Producer's check is received, subject to the same rules that apply to checks received directly from the insured.

(3) If the Producer elects to utilize ClassicPlan's automated payment service, he/she shall fully complete and forward to ClassicPlan a "Fax Transmittal Form" as provided by ClassicPlan. Provided that the Fax Transmittal Form is fully and properly completed and received by ClassicPlan before 4:30 p.m. on a working weekday (Monday through Fridays except holidays), ClassicPlan shall provisionally credit the insured's loan account as of the day the Fax Transmittal Form is received by ClassicPlan, subject to ClassicPlan's collection of the amount as provided in paragraph 2. (If a Fax Transmittal Form is received after 4:30 p.m., or on a weekend or holiday, it shall be treated as if received before 4:30 p.m. on the next working weekday.)

(4) If the Producer wishes to guarantee the insured's payment, the Producer will then become responsible for making the insured's payment. The producer **will not** be allowed to reverse the payment guarantee.

B. If the payment is in the form of a check payable to ClassicPlan, in accordance with whatever arrangements the Producer has made with his/her insured, the Producer may either return the payment to the insured for forwarding to ClassicPlan or may directly forward the payment to ClassicPlan on behalf of the insured. Under no circumstances is the Producer authorized to negotiate the payment or to deposit it into the Producer's trust or any other account.

2. With regard to each payment handled pursuant to paragraph 1.A.(3), the Producer hereby authorizes ClassicPlan to initiate a debit to the Producer's agency trust account for the full amount specified in the Fax Transmittal Form.

3. Should any check drawn by the Producer and forwarded pursuant to paragraph 1.A.(2) or any debit initiated by ClassicPlan pursuant to paragraph 2. not be honored by the Producer's bank for any reason, ClassicPlan shall promptly notify the Producer and the insured and, unless a cashier's check or money order is received by ClassicPlan to replace the original check or debit, ClassicPlan may reverse the payment credit given to the insured and the insured's loan account will be deemed to be in default and subject to all remedies available under the insured's loan agreement with ClassicPlan, including without limitation the remedy of cancellation of the policy(s) purchased with the proceeds of the ClassicPlan loan

4. The Producer shall indemnify ClassicPlan and hold ClassicPlan harmless against all claims, damages, losses and expenses, including attorneys fees, incurred as a result of a failure by the Producer to perform his/her obligations under

this agreement or as a result of ClassicPlan's performance in handling any payments as provided herein or ClassicPlan's reliance upon any certification received pursuant hereto.

- 5. This agreement may be canceled by either party at any time, upon written notice to the other party. Termination shall not affect the rights and obligations of the parties as to payments previously processed hereunder.

- 6. This agreement shall become effective following receipt and approval by ClassicPlan at its home office, provided that paragraph 1.A.(3) shall not become operative until ClassicPlan has received a blank voided check relating to the agency account to be debited in accordance with those provisions, and the appropriate time has passed to allow ClassicPlan to prearrange for such debits to be processed in accordance with the rules of the National Automated Clearing House Association, all of whose rules shall apply to the debits discussed herein.

Producer (Agency) Name _____ ClassicPlan Code Number _____

Dated _____ **By:** _____ **Title** _____

