



## Premium Collection Agreement

\_\_\_\_\_ "Organization" wishes **PIOPAC Fidelity** to serve as its Premium Collection Administrator ("Administrator"). Administrator's duties under this agreement include handling of all premium billing matters and collection matters on the behalf of Organization in connection with certain insurance policies/certificates which may include non insurance monies issued to and due by the members of Organization by \_\_\_\_\_ ("carrier(s)"). Organization wishes to have Administrator handle the premium billings received and the premiums collected in connection with the policies/certificates issued by "carrier" to Organization's members under "Organization's" group billing control number(s).

### **1. Therefore, Organization and Administrator "Parties" agree as follows:**

- A. Administrator will stand in the place of Organization in all dealings with the Carrier regarding premium billing and collection.
- B. Organization designates Administrator as Organization's agent for all matters relating to the receipt of premium billings from and payment of premiums to Carrier in connection with the insurance policies/certificates issued by Carrier to Organization and its members. Organization authorizes Carrier to recognize Administrator as Organization's agent and to send all premium billings to Administrator on a schedule agreed to by the Parties and Carrier.
- C. Administrator shall not alter the provisions of the insurance policies/certificates issued by Carrier to Organization and its members, nor shall Administrator bind Carrier in any way without the prior written consent of Carrier.
- D. Administrator may not assign its rights or delegate its duties under this agreement without the prior written consent of Organization and Carrier.
- E. The rights and duties of Organization and its individual policy/certificate holders shall not change or be affected by the terms of this Agreement. All policy/certificate provisions regarding premium payment, lapse and reinstatement shall remain the same regardless of the provisions of this Agreement.
- F. Carrier shall retain all rights to contact Organization directly at any time, and to contact insured members at home at any time and at their workplace with the Organization's permission.

2. **Administrator shall have the following duties:**

- A. Administrator shall remit all premiums due to Carrier within ten (10) business days of due date of invoice.
- B. Administrator shall deliver any premium refunds, still in possession, or other payments to policy/certificate holders within ten (10) business days of receipt of same from Carrier.
- C. Administrator shall maintain adequate records of all transactions under this Agreement and it shall maintain any separate accounts required by state law. Administrator may not commingle premiums received under this Agreement with funds in its general account.
- D. Administrator shall provide various accounting and reporting, via electronic transmission, of files in a format mutually agreed upon by Carrier and Administrator, including but not limited to, premium collected, remitted and refunded and any other reports deemed necessary by Carrier to comply with all applicable state requirements.
- E. Organization or its representatives shall have the right, at its sole expense, upon advance written notice to the Administrator and during normal work hours, to audit or review the Administrator's records, procedures and files on insurance policies and attached riders and any other related financial records or other documents prepared hereunder, provided that such audit or review does not interfere with the normal operation of the Administrator. This service agreement and all records and files pertaining thereto shall be maintained during the term of this agreement and for ten years thereafter.
- F. The Administrator agrees to permit Organization or its agents or attorneys, at its sole expense, upon advance written notice to the Administrator and during normal working hours, to conduct an internal audit to determine whether the Administrator is in compliance with obligations, duties and responsibilities as set forth in this agreement.

3. **This Agreement shall terminate upon the occurrence of the earliest of any of the following:**

- A. Mutual agreement of the Parties.
- B. Sixty (60) days written notice by any Party to the other Party.
- C. Administrator's mishandling of premium funds, embezzlement of funds or other violation of relevant statutes or regulations.
- D. Carrier ceases to insure any members of Organization and advises Administrator to cease premium collection.
- E. The bankruptcy, liquidation or cessation of business of or by any of the Parties.
- F. Upon the termination of this Agreement, Administrator shall promptly provide Carrier with all information and support needed for Carrier to continue to process its business.

G. No amendment or modification of this Agreement shall be effective unless it is in a writing signed by the Parties.

IN WITNESS WHEREOF, this agreement has been executed by the parties as of the date first above written.

\_\_\_\_\_  
SIGNATURE OF OFFICER OF ADMINISTRATOR

\_\_\_\_\_  
PRINTED NAME AND TITLE OF OFFICER

\_\_\_\_\_  
NAME AND ADDRESS OF ADMINISTRATOR

\_\_\_\_\_  
SIGNATURE OF OFFICER OF ORGANIZATION

\_\_\_\_\_  
PRINTED NAME AND TITLE OF OFFICER

\_\_\_\_\_  
NAME AND ADDRESS OF ORGANIZATION

Received by the Carrier this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

The Carrier

By:

\_\_\_\_\_  
AUTHORIZED OFFICER