

4286

THE STATE OF ALABAMA

Baldwin  
Montgomery County

To any Sheriff of the State of Alabama—GREETING:

You are Hereby Commanded to Summon

E. P. Bell, doing business as  
Bell Insurance Agency  
209 East First Street  
Bay Minette, Alabama

to appear before the Circuit Court of Baldwin  
Montgomery County, in and for said County, at the place of holding  
the same, within thirty days from the service of this summons and complaint, then and there to demur or  
plead to the complaint of

Louis G. Greene, as Receiver for  
Alabama General Insurance Company

And you are hereby commanded to execute this process instanter and make return as required by law.

Witness my hand this 15 day of

1960

Clerk.

COMPLAINT

THE STATE OF ALABAMA

Birmingham  
Montgomery County, Alabama

Louis G. Greene, as Receiver  
for Alabama General Insurance  
Company

Plaintiff

VS.

In the Circuit Court of Baldwin  
Montgomery County

E. P. Bell, Term 19  
Insurance Agency

Defendant

The plaintiff claim of the Defendant

The Plaintiff claims of the defendant the sum of Three Hundred Fifty Five and 83/100 (\$355.83) Dollars, and for cause of action alleges as follows:

On November 26, 1957, the plaintiff Louis G. Greene was duly appointed Receiver for the Alabama General Insurance Company, a corporation, (hereinafter referred to as 'Alabama General') by order of the Circuit Court of Montgomery County, Alabama. (A copy of said court order is attached hereto as plaintiff's Exhibit A and incorporated herein by reference.) As such receiver the plaintiff succeeded to all choses in action of Alabama General against any and all persons.

On August 10, 1956, the defendant entered into a written agency agreement with Alabama General whereby the defendant agreed to act as an agent and fiduciary for said company under the terms and conditions of said agreement. (A copy of said agency agreement is attached hereto as plaintiff's Exhibit B and incorporated herein by reference.) Under said agreement the defendant contracted to pay Alabama General all net premiums accrued on insurance written under this agreement whether or not collected by the agent. Pursuant to the terms of said agreement, the defendant, as fiduciary and agent bound Alabama General under a number of insurance policies. However the defendant has failed to pay and remit to Alabama General all net premiums accrued on the insurance written under said agreement, and by reason of such failure the total amount of \$355.83 with interest thereon from to-wit: November 26, 1957, is presently due and owing from the defendant to the plaintiff as receiver for Alabama General.

SCOTT, WHITESELL & SCOTT

BY: John B. Scott Jr.  
Attorneys for Plaintiff

Exhibit A

J. BROUGHTON LAMBERTH,	!	IN THE CIRCUIT COURT
	!	
Complainant,	!	OF
	!	
vs.	!	MONTGOMERY COUNTY, ALABAMA
	!	
Alabama General Insurance	!	IN EQUITY
Company, Inc., a Corporation	!	
	!	
Respondent.	!	
	!	

DECREE FOR TEMPORARY RESTRAINING  
ORDER AND INJUNCTION AND APPOINT-  
MENT OF RECEIVERS

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This cause being submitted to the Court for immediate action upon the application of the Complainant duly verified as required by law and the verified bill of complaint showing the necessity for a temporary restraining order and injunction and for the appointment of a Receiver as prayed for, the Court is of the opinion that such temporary restraining order, injunction and Receiver should be appointed and that the Complainant enter into a bond as conditioned by law in the penal sum of \$5,000, and that upon the execution of said bond that the temporary injunction and restraining order should be granted. It is, therefore,

ORDERED, ADJUDGED AND DECREED by the Court that the Respondent, its agents, servants, employees, attorneys and all officers thereof and all persons in active concert or participation with Respondent be and they hereby are restrained and enjoined until further orders of the Court from:

1- Conducting any further business of any description or kind of Respondent, including the taking of any new business or the payment of any claims, except as hereinafter provided, pending further orders of this Court.

2- From exercising any control whatsoever over said business or its assets pending further orders of this Court.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED:

1- That Louis G. Greene of Montgomery, Alabama, be and he is appointed Receiver of all the property, assets and estate of the said Alabama General Insurance Company, Inc. with authority to take immediate possession of said property, including the rented premises and all rights of action, as well as the books, papers, evidence of debt, and all other property of every kind whatsoever belonging to the said company, including but not limited to all stock, bonds, debentures, mortgages, furniture, fixtures and office supplies.

2- That the said Receiver continue to carry on the business of the said Alabama General Insurance Company, Inc. under the further orders and directions of this Court, and that he proceed to collect any and all debts due to said company.

3- That said Receiver be and he is hereby authorized to apply to the Court for further instructions in the discharge of his duties as such Receiver.

4- That the Receiver shall have authority to negotiate the sale of the assets of said Alabama General Insurance Company, Inc., but all offers shall be reported to the Court and instructions obtained from the Court before any sale of any assets of the said Alabama General Insurance Company is made.

5- That the Receiver is authorized to employ, with the approval of the Court, special legal counsel to represent him in connection with his duties as such Receiver, and to pay such counsel reasonable attorneys fees in such amount as the Court may approve out of the assets of Alabama General Insurance Company coming into his control as such Receiver.

6- That before the said Louis G. Greene enters upon the discharge of his duties as such Receiver, he shall give bond, with good and sufficient surety, payable to the Register of this Court, and his successors, said bond to be approved by the Register, in the penal sum of \$20,000, with condition faithfully to discharge his duties as such Receiver and to pay over and account for all monies, property and effects which may come into his hands as such Receiver.

7- That Respondent, Alabama General Insurance Company, Inc., its servants, agents or employees, be, and they are, and each of them is hereby required and commanded, upon demand of said Receiver, to turn over and deliver to said Receiver any or all of said property in their hands or under their control, or the control of any of them, and the said Alabama General Insurance Company, Inc., its servants, agents or employees, and all other persons whatsoever, are hereby enjoined and restrained from interfering in any way whatsoever with the property or management of any part of the property over which the Receiver is hereby appointed, or from interfering in any way to prevent the discharge of his duties.

DONE, this 26th day of November, 1957.

/s/ WALT B. JONES  
Presiding Judge, Fifteenth Judicial  
Circuit.

I, Retta Bowen, a notary public, Montgomery County,  
Alabama, do certify that the above is a true and correct copy.

Retta Bowen  
Notary Public

ALABAMA GENERAL INSURANCE!  
COMPANY, INC., a Corporation

REGISTER'S ORDER APPOINTING RECEIVER

In the above-styled cause the Circuit Court of Montgomery County, Alabama, in Equity, by decree rendered on the 26th day of November, 1957, having appointed Louis G. Greene, as Receiver of the property, assets and estate of Alabama General Insurance Company, Inc., an Alabama Corporation, said agreement being conditioned upon said Receiver giving a good and sufficient bond to secure the faithful performance of said Receiver, to be approved by the Register, and said bonds as required by said decree having been presented to and approved by the Register, now, therefore,

IT IS ORDERED BY THE REGISTER, that Louis G. Greene, as Receiver of the property, assets and estate of Alabama General Insurance Company, Inc., an Alabama Corporation, hereby are directed and empowered to enter upon and take charge of all the assets and property of said business and to carry on the said business in compliance and under the terms of the decree heretofore rendered by the Circuit Court of Montgomery County, Alabama, in Equity, on November 26, 1957, until the further order of the Court.

IN WITNESS WHEREOF, I have hereunto set my hand and  
affixed the seal of said Court, on this the 26th day of November, 1957.

/s/ Geo. H. Jones, Jr.  
REGISTER, CIRCUIT COURT OF  
MONTGOMERY COUNTY, ALABAMA

Exhibit B

## AGREEMENT WITH AGENT

Memorandum of Agreement made in duplicate this 10 day of August 1951

by and between the Alabama General Insurance Company of Montgomery, Alabama, (hereinafter called "Company"),

and BELL INS AGY  
of Box MINETTE State of ALA (hereinafter called "Agent").

ARTICLE I. The Company authorizes the Agent to solicit on behalf of the Company, such kind or kinds of insurance as are authorized by the Company and the Agent agrees to conform to the limitations and provisions of this agreement and the written or printed rules or instructions received from the Company from time to time. All expenses in connection with expenses of the agent including rent, office up-keep and traveling expenses shall be paid by the agent and not by the company: both parties to this agreement expressly recognized the independent ownership by the Agent of the insurance business covered by this agreement. Under this agreement, the territory within which the business of the Agent

shall be confined is as follows: ALABAMA

ARTICLE II. The Company shall pay the Agent as commission a percentage of the premiums Written and paid for under this agreement, at the rates as follows:

### COMMISSION SCHEDULE

#### FIRE

30% on the following classes in National Board town classes 1 through 8 and in suburban areas immediately adjacent:

Policies of \$5,000.00 or more on dwellings and on brick or better constructed apartments.

Household Contents.

Brick or better constructed mercantile buildings and on fixtures and equipment of non-hazardous occupancies therein.

Brick or better constructed schools, churches, lodges, theatres, hotels, garages, banks, auto dealers, funeral homes, hospitals, motels, offices and public, religious or civic associations.

25% on all other risks except for farm risks and for buildings and contents of special hazard and unprotected mercantile risks.

20% on farm risks and on special hazard and unprotected mercantile risks.

#### AUTOMOBILE PHYSICAL DAMAGE

25% on private passenger and local commercial.

15% all others.

#### CASUALTY

25% on private passenger and local commercial BI and PD.

15% all others.

25% on general casualty.

..... % on workmen's compensation.

25% on burglary and plate glass.

#### INLAND MARINE:

20% except as follows:

15% on bailees customers.

#### FIDELITY AND SURETY

25% on fidelity (non blanket)

25% on surety.

25% on forgery.

15% on commercial blanket and blanket position bonds.

15% on bankers blanket bonds.

The Agent shall pay the Company a return commission at the same rate on any return premiums, including return premiums on cancellation orders or made by the Company.

All money paid by the policyholders to the Agent, or to anyone representing him, shall be held by and chargeable to the Agent as a fiduciary trust for and on behalf of the Company, and shall be paid over to the Company as herein-after provided. In the event it is necessary for the Company to cancel this agreement for violation of its terms of remittance by the Agent, the Agent relinquishes all right of claim to subsequent renewals, additional premiums, or commissions thereon, insofar as they may be necessary to satisfy the interest of the Company. The Company reserves the right to demand of the Agent a bond of such amount as may be determined with good and sufficient surety to cover the obligations and duties of the Agent under this Agreement.

ARTICLE III. The Agent may bind the Company for the kinds of insurance and within the limits as set forth in Instruction Sheet, the receipt of which is hereby acknowledged.

Notice of any Commitment to liability and/or application for any policy to be issued shall be mailed to the Company

at \_\_\_\_\_ on or before the date on which the insurance is effective. All binders or policies shall be in accordance with the manuals and written or printed instructions of the Company now or hereafter furnished to the Agent. The Agent shall cancel or change the conditions of any insurance bound or issued hereunder, in conformity with any request of the Company.

Any negligent delay in complying with the provisions of the foregoing paragraph shall render the Agent liable for any loss on any unreported or uncanceled risk during the period of such delay.

ARTICLE IV. The Agent agrees to pay to the Company all premiums accruing on insurance written under this agreement, whether or not collected by the Agent from the assured. Flat cancellation of policies or binders shall be in accordance with the rules and regulations of the company. Flat cancellations must be effective not later than 45 days after effective date of policies. The Agent shall not be entitled to credit for any cancellation until proof of such cancellation satisfactory to the Company has been furnished to the Company.

ARTICLE V. The agent shall furnish to the Company monthly by the 10th day of the succeeding month (or at its option the Company may furnish to the Agent) a statement of account covering transaction for each month, and the Agent shall remit to the Company the net amount shown by such statement to be due the Company within 60 days after the close of the month covered by said statement. (Example: Balance for month of January to be paid on or before March 31.) Above statement and remittances are to be sent to the Company at Box 7021, Montgomery, Alabama.

ARTICLE VI. The Company will furnish the Agent with such supplies as may be deemed appropriate by the Company, which supplies shall remain the property of the Company and shall be returned to the Company on demand. The Agent shall keep complete records and accounts of all transactions pertaining to the business transacted on behalf of the Company, which records and accounts shall be accessible to any duly authorized representative of the Company at any time while this agreement is in force and/or until the termination date of any insurance written hereunder.

ARTICLE VII. The Agent agrees to co-operate fully with the Company to facilitate the investigation and adjustment of any claim when and as requested by the Company and under any such rules and regulations as may be agreed upon from time to time.

ARTICLE VIII. Nothing in this agreement shall be construed as limiting or restricting the right of the Company to cancel any policy or policies or contracts of insurance issued under this agreement and the Company reserves the right to withdraw authority from the Agent to write any particular line of insurance and to decline to accept any particular risk or class of risk without previous notice.

ARTICLE IX. The Agent shall not insert any advertisement respecting the Company in any publication or issue any circular referring to the Company without the consent of the Company first obtained in writing. In case the company shall be subjected to loss or expense growing out of any such unauthorized action or statement of the Agent, the Agent shall be liable for all costs and damages arising therefrom.

ARTICLE X. This agreement may be cancelled at any time by either of the parties hereto by the giving of a written notice to the other.

It is agreed that commission or return commission, as the case may be, shall be paid on additional premiums collected, or on return premiums paid on adjustments, or on cancellations made after the time of cancellation of this agreement, applying to any insurance for which an original commission was allowed.

In the event of the suspension, revocation or termination of this agreement or any authority thereunder all accounts owing to the Company shall become due and payable to the Company immediately.

In case the Company shall find it necessary to perform any duty otherwise imposed on the Agent under this Agreement the Agent shall be liable for cost incident thereto.

ARTICLE XI. In the event the "Agent" under this Agreement is a corporation, it is further understood, agreed and guaranteed by the undersigned individuals, principal stockholders of said Corporation, that all conditions of this Agreement shall be binding upon them severally and jointly in the same manner as upon the Corporation named as Agent.

IN WITNESS WHEREOF, this agreement has been executed in duplicate by the parties hereto, the day and year first above named.

ALABAMA GENERAL INSURANCE COMPANY

General Agent

By [Signature]  
Agency BELL INSURANCE AGENCY Spe. Agt.  
209 FIRST STREET  
By RAY MINETTE, ALABAMA  
E. P. Bell

Marshall McElvy, Printers

LICENSE  
E. P. BELL

SCOTT, WHITESELL & SCOTT

JOHN B. SCOTT  
CALVIN M. WHITESELL  
JOHN B. SCOTT, JR.

ATTORNEYS AT LAW  
200 BELL BUILDING

MAILING ADDRESS  
P O BOX 2106  
TELEPHONE AMHERST 9-1515

MONTGOMERY 3, ALABAMA

October 17, 1960

Miss Alice J. Duck, Clerk  
Circuit Court  
Baldwin County Court House  
Bay Minette, Alabama

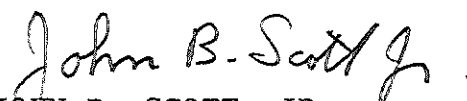
Greene v. Bell, Case # 4286

Dear Miss Duck:

Would you please dismiss this case with prejudice  
to the plaintiff. By agreement, the court costs will  
be paid by the defendant.

Thank you again for your assistance in this matter.

Yours sincerely,

  
JOHN B. SCOTT, JR.

JBSjr:pjg  
cc: Mr. Wilson Hayes  
P.O. Box 293  
Bay Minette, Alabama

SCOTT, WHITESELL & SCOTT

JOHN B. SCOTT  
CALVIN M. WHITESELL  
JOHN B. SCOTT, JR.

ATTORNEYS AT LAW  
200 BELL BUILDING

MAILING ADDRESS  
P O BOX 2106  
TELEPHONE AMHERST 9-1515

MONTGOMERY 3, ALABAMA  
June 14, 1960

Miss Alice J. Duck  
Circuit Clerk  
Baldwin County Court House  
Bay Minette, Alabama

RE: Louis G. Greene,  
Receiver for Alabama  
General Insurance Co.

VS.

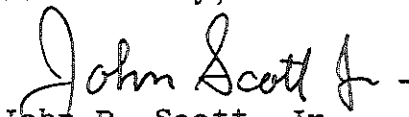
E. P. Bell, d/b/a Bell  
Insurance Agency

Dear Miss Duck:

Would you please file the enclosed summons and complaint.  
I would certainly appreciate it if you would let us know  
when service has been perfected on the defendant.

Thanking you, I am

Yours truly,

  
John B. Scott, Jr.

JBS, JR/lsm

Enclosure