



Brokerage Agreement

This **AGREEMENT** is between:

RISK PLACEMENT SERVICES, INC.,

2 Pierce Place, Itasca, IL 60606 (hereinafter "RPS")

on a national brokerage basis (if checked), or for an individual RPS

Office, as follows: Risk Placement Services, Inc.

and, _____ (hereinafter "Producer")

Address: _____ Code# _____

FEIN Number: _____

It is agreed that:

No Binding Authority Granted: Producer has no authority to accept or bind risks or coverages, issue Certificates of Insurance, make filings, or handle, adjust or apportion losses or claims, or make representations on behalf of RPS or any insurers represented by RPS, or appoint third-party brokers, agents or sub-producers, unless specific permission by an officer of RPS has been granted, and only as to the specifics of that extension of authority. RPS will incur no liability for failure to accept any application. Producer will not issue any advertisement, logo, circular, letter, pamphlet, other publications or statements referring to RPS or its markets without first obtaining express written consent from RPS.

Errors & Omissions Insurance: Producer agrees to carry and maintain in full force and effect at all times during the terms of this Agreement errors and omissions insurance coverage having minimum limits of \$1,000,000. Producer agrees to provide evidence of this coverage upon request by RPS.

Insurance Licensing: Producer warrants to hold valid and properly issued insurance licenses under the insurance laws of any state Producer resides in or in which a risk insured through Producer's organization is serviced. Producer agrees that if Producer's licenses, or any of Producer's employees licenses, are denied or revoked, Producer will notify RPS immediately and this Agreement will automatically terminate without notice. Producer agrees that any insurance transacted where it is discovered the producer did not hold a valid insurance license as of the effective date of such coverage will result in no commission or other compensation due to Producer, and if such were previously allowed, Producer agrees to immediately return such amounts.

Payment Terms: Producer shall be primarily liable to RPS for the full amount of premium, taxes, and fees, less commission, on every insurance transaction placed for Producer on behalf of its clients. Producer agrees to receive and hold funds collected in a fiduciary capacity and amounts due must be remitted to RPS on terms as established by RPS. Producer recognizes that payment terms may vary by RPS office. Producer agrees to pay RPS all premiums and taxes due on insurance coverage bound or written whether or not collected from the insured. Producer may retain interest earned on premiums collected provided all premiums are paid to RPS. Producer specifically agrees that any extension of credit by Producer to Producer's client, or any other person, is solely at Producer's risk. In agreeing to pay RPS, Producer does so as an original undertaking on its part and not as guarantor or surety of another's obligation. Producer agrees to pay all costs, including reasonable attorney's fees, in any action or proceeding brought by RPS to recover any amounts due from Producer under the terms of this Agreement.

Compensation: Commissions, or other forms of compensation, paid to Producer by RPS are subject to change. Producer agrees to refund to RPS any compensation received on cancellations and premium reductions in each case at the same rate at which the compensation was originally paid. This obligation will continue after the termination of this Agreement.

Cancellations: No flat cancellations of policies or coverage bound or issued will be effective unless specifically authorized in writing. In the event of cancellation of insurance written hereunder, producer guarantees to pay RPS all earned premium on business accepted for such time as coverage remains in force. No cancellations will be effective until sufficient time has elapsed for proper notice to mortgagees, loss payees, certificate holders, regulatory bodies, or similar entities in cases where notice is required.

Ownership Change: Producer agrees to notify RPS within 30 days of any change in ownership of Producer's agency. RPS reserves the right to continue to honor the terms of this Agreement for the new ownership and/or entity.

Indemnification: Producer will promptly defend, indemnify and hold RPS, and insurance companies represented by RPS, harmless from and against any and all claims, suits, actions, fines, liabilities, losses, expenses or damages which RPS and its insurance companies may incur as a result of any violation or alleged violation by Producer of any law, or any loss or expense to RPS caused by Producer's misrepresentation, negligent act or omission, or any breach of any obligations under this Agreement. RPS will promptly defend, indemnify and hold harmless from and against any and all claims, suits, actions, liabilities, losses, expenses or damages which Producer may incur as a result of any violation or alleged violation by RPS of any law or any loss or expense to Producer caused by RPS's misrepresentation, negligent act or omission, or any breach of any of RPS's obligations under this Agreement.

Term and Termination: This Agreement will be effective for an initial term of one year, and will automatically renew for additional one year terms until terminated by one party giving 30 days prior written notice to the other, but such termination shall not alter, in any way, the continued application of this Agreement to insurance policies effective prior to the date of such termination. In the event of termination of this Agreement, the Producer having promptly accounted for and paid all premiums for which it may be liable, all Producer's records, including the use and control of expirations, shall remain the property of the Producer and be left in its undisputed possessions; provided, that if Producer fails to pay amounts owed to RPS, then the records, use and control of expirations relating to such amounts owed, shall be vested in RPS. This Agreement will automatically terminate, without notice, if:

- a) Producer loses its license to engage in the business of insurance;
- b) Producer engages in fraudulent or otherwise illegal activities of any kind involving the business of insurance;
- c) Producer fails to timely pay any amounts owed to RPS when due; or,
- d) Producer fails to maintain errors & omission insurance in full force and effect.

This Agreement supersedes all previous agreements, whether oral or written, between RPS and Producer. By signing below, the duly authorized representatives of the parties to this Agreement agree to abide by the terms and conditions of this Agreement.

RISK PLACEMENT SERVICES, INC.

PRODUCER:

BY: _____

BY: _____

DATE: _____

DATE: _____

If box checked, other terms and conditions apply to this contract and are attached as Addendum I.



Brokerage Agreement

ADDENDUM I

This Addendum is an integral part of the Brokerage Agreement between Risk Placement Services, Inc., (RPS) and Producer.

If box below is checked, these terms and conditions become an integral part of the Brokerage Agreement between Risk Placement Services, Inc., (RPS) and Producer.

- IT IS SPECIFICALLY UNDERSTOOD THAT THE PRODUCER IS THE AGENT AND REPRESENTATIVE OF THE INSURED AND NOT THE AGENT, AUTHORIZED REPRESENTATIVE, OR EMPLOYEE OF RPS OR ANY OF ITS INSURERS.**
- Books and Records:** Producer agrees to maintain appropriate books, records and papers for business written with RPS and permit RPS to inspect them at all reasonable times.
- Expirations:** Any custom or usage to the contrary, RPS will be under no obligation to give Producer notice of the expiration of any policies of insurance which Producer procures through RPS facilities.
- Account Current Payment Terms:** For items identified by RPS as cash accounts, either full remittance less commission or an agreed down payment remittance must be made before such designated accounts are bound by RPS. These accounts will be specifically designated by RPS when quotations for coverage and premiums are made to the producer. Accounts, other than specific accounts indicated, are designated as "account current accounts" and are to be remitted to RPS no later than **20** days after the end of the month for which the account is rendered.
- Account Movement:** If RPS places an account on behalf of Producer, upon renewal Producer shall not place or attempt to place such account directly or through another intermediary with the insurer(s) with whom RPS placed such account. This provision shall apply during the period that RPS places the account for the Producer and for a period of 12 months following the date the account is no longer written through RPS. If Producer violates this provision, Producer shall pay RPS an amount equal up to 100% of the commission earned by Producer during the last 12 months period that the account was written by RPS.
- Scope of Services:** The scope of services offered by each RPS office may vary and it is the sole duty and obligation of the Producer to abide by specific requirements, terms, and conditions, as outlined on RPS websites, marketing material, proposal letters, quotation forms and any other document as published by RPS.
- Confidential Material:** RPS provides certain material to the Producer, including by not limited to books, records, rate guides, applications, and website access. All such materials are the property of RPS, and are provided to the Producer for their exclusive use in transacting business with RPS. This material is not to be sold, given, copied, or otherwise conveyed to any person or organization outside Producer's employees. It is agreed that in the event of termination of this agreement, Producer, at their cost, shall return or destroy all such materials as directed by RPS.
- Applications for Insurance:** Producer agrees that RPS may not offer every insurance product or condition that may be requested within applications for insurance. RPS will outline coverages, limits, and general conditions offered in quotations, indications, binders produced, or in other documents presented, however, these documents may not include every aspect of the coverage requested. Producer agrees that it remains the Producer's responsibility to review such materials from RPS to ensure adequacy of coverage for Producer's clients.
- Audits:** Audits, and any adjustable payment provisions, may be billed in a different manner than policies, or other endorsement types, and, as such, have differing payment terms which supersede the terms herein.
- Required Tax Filings:** As statutory law permits or requires, RPS assumes the primary obligation to collect and file all surplus lines taxes, surcharges, excise taxes, or any other related policy taxes, assessments, or fees on policies bound by RPS. RPS reserves the right to retain or delegate any, or all, of these responsibilities to any other entity, including Producer, at its discretion. Producer agrees to provide any required information in compliance with this section immediately upon request by RPS.
- Other Provisions:** See included Addendum.



Brokerage Agreement

BROKER/RETAILER PROFILE

Agency Name _____

DBA Name _____

Street 1 _____

Street 2 _____

City _____ State _____ Zip _____

E-Mail Address _____

Telephone Number _____ Fax Number _____

Resident License State _____

E&O Coverage _____ **Please Attach Proof Of Coverage**

Agency Principal _____

Resident & Non-Resident Licenses Held

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> ALABAMA | <input type="checkbox"/> ILLINOIS | <input type="checkbox"/> MONTANA | <input type="checkbox"/> RHODE ISLAND |
| <input type="checkbox"/> ALASKA | <input type="checkbox"/> INDIANA | <input type="checkbox"/> NEBRASKA | <input type="checkbox"/> SOUTH CAROLINA |
| <input type="checkbox"/> ARIZONA | <input type="checkbox"/> IOWA | <input type="checkbox"/> NEVADA | <input type="checkbox"/> SOUTH DAKOTA |
| <input type="checkbox"/> ARKANSAS | <input type="checkbox"/> KANSAS | <input type="checkbox"/> NEW HAMPSHIRE | <input type="checkbox"/> TENNESSEE |
| <input type="checkbox"/> CALIFORNIA | <input type="checkbox"/> KENTUCKY | <input type="checkbox"/> NEW JERSEY | <input type="checkbox"/> TEXAS |
| <input type="checkbox"/> COLORADO | <input type="checkbox"/> LOUISIANA | <input type="checkbox"/> NEW MEXICO | <input type="checkbox"/> UTAH |
| <input type="checkbox"/> CONNECTICUT | <input type="checkbox"/> MAINE | <input type="checkbox"/> NEW YORK | <input type="checkbox"/> VERMONT |
| <input type="checkbox"/> DELAWARE | <input type="checkbox"/> MARYLAND | <input type="checkbox"/> NORTH CAROLINA | <input type="checkbox"/> VIRGINIA |
| <input type="checkbox"/> DIST. OF COLUMBIA | <input type="checkbox"/> MASSACHUSETTS | <input type="checkbox"/> NORTH DAKOTA | <input type="checkbox"/> WASHINGTON |
| <input type="checkbox"/> FLORIDA | <input type="checkbox"/> MICHIGAN | <input type="checkbox"/> OHIO | <input type="checkbox"/> WEST VIRGINIA |
| <input type="checkbox"/> GEORGIA | <input type="checkbox"/> MINNESOTA | <input type="checkbox"/> OKLAHOMA | <input type="checkbox"/> WISCONSIN |
| <input type="checkbox"/> HAWAII | <input type="checkbox"/> MISSISSIPPI | <input type="checkbox"/> OREGON | <input type="checkbox"/> WYOMING |
| <input type="checkbox"/> IDAHO | <input type="checkbox"/> MISSOURI | <input type="checkbox"/> PENNSYLVANIA | |

Please attach copies of licenses held.

Surplus Lines Licenses Held

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> ALABAMA | <input type="checkbox"/> ILLINOIS | <input type="checkbox"/> MONTANA | <input type="checkbox"/> RHODE ISLAND |
| <input type="checkbox"/> ALASKA | <input type="checkbox"/> INDIANA | <input type="checkbox"/> NEBRASKA | <input type="checkbox"/> SOUTH CAROLINA |
| <input type="checkbox"/> ARIZONA | <input type="checkbox"/> IOWA | <input type="checkbox"/> NEVADA | <input type="checkbox"/> SOUTH DAKOTA |
| <input type="checkbox"/> ARKANSAS | <input type="checkbox"/> KANSAS | <input type="checkbox"/> NEW HAMPSHIRE | <input type="checkbox"/> TENNESSEE |
| <input type="checkbox"/> CALIFORNIA | <input type="checkbox"/> KENTUCKY | <input type="checkbox"/> NEW JERSEY | <input type="checkbox"/> TEXAS |
| <input type="checkbox"/> COLORADO | <input type="checkbox"/> LOUISIANA | <input type="checkbox"/> NEW MEXICO | <input type="checkbox"/> UTAH |
| <input type="checkbox"/> CONNECTICUT | <input type="checkbox"/> MAINE | <input type="checkbox"/> NEW YORK | <input type="checkbox"/> VERMONT |
| <input type="checkbox"/> DELAWARE | <input type="checkbox"/> MARYLAND | <input type="checkbox"/> NORTH CAROLINA | <input type="checkbox"/> VIRGINIA |
| <input type="checkbox"/> DIST. OF COLUMBIA | <input type="checkbox"/> MASSACHUSETTS | <input type="checkbox"/> NORTH DAKOTA | <input type="checkbox"/> WASHINGTON |
| <input type="checkbox"/> FLORIDA | <input type="checkbox"/> MICHIGAN | <input type="checkbox"/> OHIO | <input type="checkbox"/> WEST VIRGINIA |
| <input type="checkbox"/> GEORGIA | <input type="checkbox"/> MINNESOTA | <input type="checkbox"/> OKLAHOMA | <input type="checkbox"/> WISCONSIN |
| <input type="checkbox"/> HAWAII | <input type="checkbox"/> MISSISSIPPI | <input type="checkbox"/> OREGON | <input type="checkbox"/> WYOMING |
| <input type="checkbox"/> IDAHO | <input type="checkbox"/> MISSOURI | <input type="checkbox"/> PENNSYLVANIA | |

Please attach copies of licenses held.