

BROKERAGE AGREEMENT

AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_ by and between

\_\_\_\_\_  
(Agency Name) (Address) (City, State, Zip)

(hereinafter referred to as Broker) and Agency Resources of 190 River Road CN1011, Summit, New Jersey 07902, hereinafter referred to as AR.

Whereas Broker desires to utilize the services of AR through PIA Management Services' Number One Comp Program for placement of workers compensation business that AR has with various insurance companies.

WHEREAS, AR agrees to extend such services to the Broker subject to the terms and conditions set-forth below:

1. Broker warrants that it holds an insurance producer license issued by the State of \_\_\_\_\_ and all other licenses required to do business hereunder (copy of license must be attached to this agreement) and that Broker intends to place business through AR in compliance with the laws and regulations regarding the placement of business with admitted carriers.
2. Broker acknowledges it is not the agent of and has no authority to bind AR or any of its principals. Broker further warrants that it is the agent of the insured and acknowledges that AR bears no agency responsibility to the insured.
3. AR will provide quotes to Broker on accounts submitted by Broker. Such quotes will be valid for 10 days. If Broker accepts quotation, binder will be provided to Broker by AR. Broker shall notify AR if quotation is acceptable within this 10-day period or quotation will be withdrawn by AR.
4. Broker shall be entitled to receive a commission on such business placed with AR at the commission rate as set forth on Schedule A which is attached to and made part of this agreement on all new and renewal business.
5. Broker shall have the authority to issue Certificates of Insurance. At time of issuance, Broker shall send copy of same to AR.
6. Broker shall not have authority to appoint other agents or subagents for purposes of this agreement. Broker shall have no authority to make any agency agreement on behalf of AR nor shall Broker make any agreements rendering or purporting to make AR liable for the payments and/or repayments of expenses, commissions, or any other sums.

7. If policies are issued other than direct bill, broker shall be responsible for any earned premiums incurred including audits which may result from cancellation of policies due to non-payment of premiums. Broker shall return on a pro rata basis commissions on canceled policies or on any return premium at the same rate as such commissions were originally paid.

8. Commissions will be paid to the Broker by AR in accordance with commission Schedule A of this agreement. The commission will be paid within 30 days after the end of the month in which AR receives payment from company, subject to reduction by return commission due to company.

In the event return commission due the company exceeds the commission due the Broker for any given period, the Broker agrees to pay AR the amount due within the same 30-day period.

9. Broker agrees to keep complete records and accounts of all transactions pertaining to this agreement and to permit AR to inspect all records pertaining to business transacted under this agreement upon reasonable notice.

10. Broker agrees to maintain Errors & Omissions coverage for itself and those for whom it is responsible in the amount of one million dollars (\$1,000,000). A copy of the policy declarations page from this Errors and Omissions policy shall be submitted with this agreement.

11. Broker shall not advertise in any way the name of AR or AR's affiliated companies nor shall Broker advertise in any way, the name of any company or underwriter represented by AR without the written consent of AR.

12. Broker hereby agrees to indemnify and hold AR, its parent, affiliated and subsidiary corporations and its officers, directors, employees and agents harmless from any and all claims, losses, costs, expenses, deficiencies, liabilities, obligations or damages (including related counsel fees) resulting from Broker's acts or omissions for which broker is legally liable.

13. AR hereby agrees to indemnify and hold Broker, its parent, affiliated and subsidiary corporations and its officers, directors, employees and agents harmless from any and all claims, losses, costs, expenses, deficiencies, liabilities, obligations or damages (including related counsel fees) resulting from AR's acts or omissions for which AR is legally liable.

14. This agreement shall become effective when signed by both parties and a copy of the declarations page from Broker's E&O policy, an Insurance Producers license and Tax I.D. # is submitted with this agreement. This agreement supersedes all previous agreements whether oral or written.

15. This agreement may be terminated by either party at any time upon giving 10 days written notice of termination but such termination shall not alter in any way the continued application of this agreement to policies in effect as of the date of such termination and Broker shall continue to provide claims support and service on all policies in effect at termination and shall continue to receive renewal commission on such policies in accordance with applicable law.

16. This agreement constitutes the entire and exclusive understanding between the parties with respect to its subject matter and is to be construed in accordance with and governed by the laws of New Jersey.

17. During the term of this agreement, Broker shall be the sole and exclusive owner of the policy records and expirations of business submitted pursuant to this agreement. AR shall not use Broker's records to solicit any insurance and shall not disclose such information to any party for the purpose of solicitation, without the Broker's prior written permission. Upon termination, Broker shall remain the sole and exclusive owner of such policy records and expirations, provided that broker has paid to AR all monies due under this agreement.

18. Broker's rights to submit new business to AR pursuant to this agreement are conditioned upon Broker maintaining a membership with the Professional Insurance Agents of New York, New Jersey or Connecticut (PIA). If Broker's membership with PIA ceases for any reason, Broker's authority to submit new business to AR pursuant to this agreement also ceases. Broker retains the right to service existing business placed with AR while Broker was a member of PIA and to receive renewal commissions pursuant to the agreement.

19. This agreement shall be binding upon and adhere to the benefit of the parties hereto, their respective heirs, successors and assignees.

20. All notices under this agreement shall be delivered personally or by prepaid certified or registered mail, addressed to the address set forth on the first page of this agreement.

21. No failure of either party to insist on strict compliance with this agreement or to exercise any right under it shall be a waiver of such right.

22. This agreement may be amended but then only in a written addendum to this agreement executed by both parties to this agreement. This agreement will not vest any rights in third parties.

23. All exhibits and schedules hereto shall be deemed a part thereof.

IN WITNESS WHEREOF, the parties have hereto executive this agreement as of the day, month and year set forth above.

Broker: \_\_\_\_\_ I.D. # or SS#: \_\_\_\_\_

By: \_\_\_\_\_ License #: \_\_\_\_\_

Title: \_\_\_\_\_

WITNESS:

\_\_\_\_\_

AGENCY RESOURCES

\_\_\_\_\_  
By: Nicholas Dalessio

Title: Vice President  
Underwriting & Marketing Manager

Name of Agency Contact: \_\_\_\_\_

Agency Phone #: \_\_\_\_\_

Agency Fax #: \_\_\_\_\_

Schedule A – Commissions for New York Business

	Hartford	Tower	Rochdale	AIG
New Business	7%	6%	5%	4%
Renewal Business	7%	6%	5%	4%