

BROKER'S AGREEMENT

This Agreement is made and entered into this day of _____ 20____, by and between Insurance Innovators Agency of New England, Incorporated, a Massachusetts Corporation, hereinafter referred to as "IIANE" and _____, a duly licensed Broker or Producer, hereinafter referred to as "Broker." The Broker is a _____ (sole proprietor, partnership or corporation) existing under the laws of the State of _____.
Whereas, Broker is a duly licensed Broker or Producer under and according to the laws and regulations of the State(s) of _____.

Whereas, Broker is desirous of placing business through IIANE and IIANE is desirous of placing such business for Broker; and whereas, IIANE and Broker desire to define the rights and obligations of the parties hereto under such appointment.

Now therefore; in consideration of the premises and mutual covenants contained herein the parties agree as follows:

- 1) IIANE hereby confirms the appointment of Broker in the State(s) of _____, effective as of _____, and Broker hereby accepts the appointment as of from IIANE upon the terms and conditions set forth below.
- 2) The aforesaid appointment is on a non-exclusive basis.
- 3) Broker warrants and represents that he is a duly licensed Insurance Broker or Producer under the laws and regulations of the state in which he operates and shall remain so licensed while this agreement is in effect. Broker will provide a copy of his license annually to IIANE.
- 4) Broker agrees that errors & omissions insurance of at least \$1,000,000, with a deductible no higher than \$10,000, will be in place at all times during this agreement. The E&O carrier will be at least "A" rated by A.M. Best's. Broker agrees to provide evidence of E&O coverage to IIANE annually.
- 5) It is stipulated and agreed that Broker is not the agent of IIANE, but rather is an independent contractor and shall be responsible for taxes, including premium taxes, employment, unemployment and income taxes, relating to or arising by reason of the compensation, or fees paid to Broker under this Agreement.
- 6) This Agreement and the terms and provisions hereof shall be construed and interpreted under the laws of the State of Massachusetts.
- 7) Broker warrants and represents that all placements through IIANE shall be in conformance with the laws and regulations of the jurisdiction in which he operates. Broker further warrants that any business which he shall submit to IIANE involving persons or property situated in a State other than that of his domicile will, if accepted, be effected in accordance with the Surplus Lines Law, Insurance Law and/or similar applicable laws of that State. It will be the responsibility of the Broker to satisfy any tax liability, meaning fines, penalties or late fees that occur because of the brokers failure to comply with the Surplus Lines laws for the placement of said risk.
- 8) Broker warrants and represents that any inquiries or complaints of alleged violation of any regulation or law will be brought to the prompt attention of IIANE and copies of any communications alleging such infraction shall promptly be forwarded to IIANE.
- 9) In the event that during or after the term of this agreement, Broker is served with process regarding or relating to any litigation whatsoever, or investigation, inquiry, request or otherwise by any governmental authority or agency, Broker shall promptly notify IIANE of same and shall promptly hand deliver to IIANE or cause to be delivered by overnight or next-day delivery service to IIANE an original of any such process and/or notification and all attachments thereto.
- 10) Broker agrees to report immediately to IIANE, with full details, any fact, occurrence or incident that may result in a loss or claim under any policy of insurance issued hereunder or against Broker or IIANE on account of any act or omission with respect to any insurance policy issued hereunder or which allegedly should have been issued hereunder. Broker shall forward all documents and cooperate fully with IIANE in the investigation and adjustment of any claim, if requested.
- 11) Each party to this agreement hereby agrees to indemnify, defend, and save harmless the other party for legal liability arising from the negligent activities of one party for which the other party is held responsible. This mutual indemnification provision shall survive the termination of this agreement.
- 12) Broker shall have no authority to bind IIANE or any Company IIANE represents with regard to any business, insurance or otherwise; make quotes for insurance or other coverage for or on behalf of IIANE or any Company IIANE represents until authorized by IIANE after the submission of all required material and the quotation of the risk by IIANE. Further, in no event shall Broker have authority to appoint agents or subagents for IIANE or any company IIANE represents or process or handle claims, investigations or inspections for IIANE or any Company IIANE represents. Broker may not issue binders or certificates of insurance.
- 13) Broker may not assign all or any part of this Agreement without the express written consent of IIANE. Broker agrees to notify IIANE immediately upon the transfer of ownership of more than 50 percent of the ownership interest in Broker. Upon the occurrence of such event, this Agreement shall immediately terminate without notice unless IIANE shall consent in writing to the continuance hereof.
- 14) The Broker shall not place, or cause to be placed any advertisement with respect to IIANE or any Company IIANE represents in any publication nor issue or distribute any circular or paper referring to IIANE or any Company IIANE represents without the prior written approval of IIANE.
- 15) Broker agrees to keep complete records and accounts of all transactions and permit IIANE to inspect all records pertaining to business transacted under this Agreement.
- 16) IIANE on behalf of the Companies it represents agrees to pay, and Broker agrees to accept as full compensation for services herein, a ~~_____~~ varying commission, on the gross amount of premium, charged for each policy placed with IIANE by Broker. Broker guarantees payment to

IIANE of all premiums. Broker covenants and agrees that he shall be responsible for, and provide, all necessary and appropriate servicing of the policyholder and shall communicate promptly to IIANE all information necessary and appropriate for IIANE to carry out its duties and obligations hereunder. Further, Broker agrees to refund to IIANE ratably all unearned commission on all business canceled for any reason at the same rate of commission as originally paid by IIANE.

- 17) Broker agrees to collect premiums on all policies written by or for him, and all monies received by him in payment of such policies shall be segregated by broker and shall be held by him in a fiduciary capacity, and Broker shall in no case use such monies for any purpose other than the payment of the premiums due to IIANE and the withdrawal from such account of commissions due broker.

Broker agrees to pay IIANE all premiums due by the required due date of the 20th of the month, unless specifically billed by invoice requesting earlier due date, regardless of whether they have or have not been paid by insured. Broker acknowledges that overdue and unpaid premiums are subject to cancellation without notice to Broker. In addition, broker is responsible for all earned premiums.

Broker accepts full responsibility for payment of all premiums for insurance policies ordered by broker from IIANE regardless of whether Broker shall be paid by, or on behalf of, the insured, it being understood that IIANE is relying upon the credit of Broker. It is agreed that there shall be no flat cancellations of any kind without advance approval of IIANE obtained by Broker in writing and signed by an officer of IIANE. However, Broker will not be responsible for payment of premium resulting from audits or retrospective adjustments, provided that Broker notifies IIANE in writing within 35 (thirty five) days after the billing that collection of such premiums has been unsuccessful despite diligent effort to collect. Evidence of the diligent effort and all correspondence must be provided to IIANE. This must include at a minimum a copy of the invoice sent to the insured. Consequently, Broker will give up any right to commission with respect to such additional premium.

- 18) Broker agrees to provide IIANE with a copy of any premium finance agreement. Broker acknowledges that if Broker receives premium finance funds, any refund will be returned or credited directly to Broker, and Broker is responsible for refund due to premium finance company. If premium finance company pays IIANE directly, IIANE will refund the return premium less Broker's unearned commission directly to premium finance company.

- 19) The term of this Agreement shall commence on _____, and shall continue until cancellation, with no extensions or renewals unless specifically agreed upon by the parties hereto in a separate written instrument. Either party may terminate this Agreement without cause by giving 30 days prior written notice specifying the effective date of termination. In the event the Agreement is breached, either party may notify the other in writing of the immediate termination of the Agreement stating the reason or reasons therefore. Notwithstanding anything contained herein to the contrary, a termination by either party hereto, with or without cause, or at natural expiration this Agreement, shall not relieve Broker of his obligations and duties under this Agreement, which obligations, and the terms and provisions thereof, shall survive any termination of this Agreement.

- 20) In the event of termination of this agreement, Broker having promptly accounted for and paid all premiums for which it may be liable, Brokers records, use and control of expirations shall remain the property of Broker and be left in its undisputed possession.

- 21) All notices required to be sent hereunder and any other notices sent hereunder shall be sent either by certified mail, postage prepaid, return receipt requested, or by overnight delivery service. All such notices shall be addressed as follows:

(i) Insurance Innovators Agency of New England, Inc. 30 B. Capital Drive, PO Box 680 West Springfield, MA 01090	(ii) Broker: _____ _____ _____
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Please Attach Copy of Your Corporate/Personal Broker's License

or at such other address as may from time to time be designated by a party hereto in writing and sent to the other party in the manner set forth above.

- 22) Nothing herein shall obligate IIANE to accept any application submitted to it by Broker or to renew any policy of insurance placed by Broker with IIANE hereunder.

- 23) If IIANE shall be required to retain the services of any attorney to enforce the provisions of this Agreement, Broker agrees that, in addition to such damages, if any, for which he may be found liable, he shall be responsible for reimbursing IIANE for reasonable attorneys' fees and costs incurred in enforcing this Agreement.

- 24.) The undersigned, being a principal of _____ do hereby irrevocably and unconditionally guarantee the complete and time performance by Broker of all of its obligations under this agreement, including but not limited to, payment of premiums.

In witness whereof the parties have signed or caused the signing of this agreement on the dates set forth below.

FOR BROKER: Signed: _____ Date _____

Name and Title: _____

EIN: _____ Social Security Number: _____

FOR III: Signed: _____ Date _____

Name and Title: _____

Witness: _____