

Broker Agreement Form

BROKERAGE AGREEMENT

This agreement is entered into on and by and between WHOLESALER and its subsidiary offices, herein referred to as **Osprey Underwriters Inc.** and, _____ hereinafter referred to as **BROKER**. This agreement replaces all other previous agreements or contracts, whether oral or written, and shall continue in full force and effect until amended, suspended or terminated.

WHEREAS, the BROKER desires to place business with WHOLESALER and WHOLESALER desires to consider such business; now, therefore, WHOLESALER and BROKER agree to be bound by the following terms and conditions with respect to such offerings:

I. LEGAL RELATIONSHIP

The BROKER, in placing business under this agreement, recognizes that he/she is the representative of the insured and not the agent, representative or employee of WHOLESALER and/or any of its subsidiary companies. Nothing in this agreement shall be construed to imply an employer-employee relationship between WHOLESALER and BROKER.

II. BROKER'S AUTHORITY

Subject to the terms of this agreement, BROKER shall:

- A. Solicit applications of insurance;
- B. Bill and collect premiums on all policies, contracts, binders, rider and endorsements pursuant to this agreement;
- C. Maintain a sufficient staff to perform his/her duties under this agreement and
- D. Hold all monies received pursuant to this agreement in a fiduciary capacity.
- E. Not bind the WHOLESALER on any insurance without prior written authorization from the WHOLESALER.**

III. LICENSING

BROKER warrants that he/she is properly licensed to transact business as a broker in accordance with the provisions of the BROKER'S commercial domicile or any state in which the BROKER transacts business. Upon request, the BROKER agrees to provide evidence to WHOLESALER of such license(s).

IV. PAYMENT OF PREMIUMS

BROKER agrees to remit to the WHOLESALER total annual premium due to an agency-billed policies, unless otherwise agreed to in writing by WHOLESALER at the time of the inception date of each binder or policy.

V. GUARANTEE OF PAYMENT

In consideration of WHOLESALER accepting business from BROKER, BROKER guarantees payment to WHOLESALER of all earned premiums including, but not limited to, deposits and endorsements on all policies of insurance placed by BROKER with WHOLESALER, except as provided in Section VI. of this agreement. Such payment is due WHOLESALER whether or not BROKER has collection premium. BROKER agrees to pay WHOLESALER a return commission on all return premium adjustments at the same rate that was originally applied to such coverage. BROKER understands that WHOLESALER, without limitation of its other rights and remedies, reserves the right to cancel any policy for non-payment of premium. BROKER further guarantees that they will be responsible for the return of any premiums due a finance company if funds are directly released to them.

VI. UNCOLLECTABLE ADJUSTABLE PREMIUMS

Additional premiums that have been determined by annual or interim audits and/or retrospective ratings adjustments are fully earned on the last date that coverage was in effect.

BROKER is relieved of responsibility for the collection of such premiums within thirty (30) days from the date of wholesaler's invoice, BROKER notifies WHOLESALER in writing that BROKER has made diligent efforts to collect such premiums but its unable to do so.

BROKER waives any right to commission payments under the provision if premiums are subsequently collected by WHOLESALER.

VII. RESPONSIBILITIES OF BROKER

BROKER understands that in providing coverage, WHOLESALER is relying upon the accuracy of information provided by the insured through BROKER and submitted to WHOLESALER. It is the responsibility of BROKER to disclose to WHOLESALER the existence of any conditions that BROKER is or responsibly should be aware that may affect the insurability of the insured.

Further, it is the responsibility of BROKER to inform WHOLESALER as to the type of amount of insurance coverage to be considered for question. WHOLESALER assumes no responsibility towards BROKER with regard to the adequacy, amount or form of coverage obtained through any insurance carrier.

BROKER assumes full responsibility in servicing their clients. BROKER will not contact carrier underwriters or their underwriting departments. BROKER shall refer any underwriting questions or to issues to their Osprey Underwriters Inc. assigned underwriter.

VIII. CLAIMS

BROKER will report all claims and/or losses as expeditiously as possible to WHOLESALER or insurer. BROKER has no authority to assign losses to be adjusted nor may he negotiate or settle any loss.

IX. COMPENSATION

WHOLESALER shall pay BROKER a percentage of the premium for business produced by BROKER and placed through WHOLESALER.

BROKER shall refund return commission on policy cancellations or reductions in coverage, in each case at the same rate at which such commissions were originally earned.

X. CONFIDENTIALITY

In connection with this agreement, BROKER agrees to treat any proprietary information supplied by WHOLESALER as confidential. WHOLESALER agrees to treat any proprietary information supplied by the BROKER as confidential. Unless otherwise required by law, neither WHOLESALER or BROKER or their respective representatives will, without the other's written consent, disclose any proprietary information or other information about the relationship program.

XI. INDEMNIFICATION

WHOLESALER agree to indemnify and hold harmless BROKER, any affiliated company, their officers, directors, employees and agents from and against any and all claims, damages, liabilities, including reasonable attorney's fees, costs, or other expenses incurred by the BROKER arising directly from any acts, omissions or breach of this agreement by WHOLESALER to the extent that WHOLESALER is legally liable. In addition, BROKER agrees to identify and hold harmless WHOLESALER, any affiliated company, their offices, directors, employees and agents from and against any and all claims, damages or liabilities, during reasonable attorney's fees cost or other expenses incurred by WHOLESALER arising directly from any acts, omissions or breach of this agreement by the BROKER to the extent that BROKER is legally liable.

XII. OWNERSHIP/CONTROL OF OPERATIONS

The BROKER having accounted for and paid over premiums for which BROKER may be liable, the BROKER'S records and the use and control of expirations shall remain the property of the BROKER and left to BROKER'S undisputed possession and control. As such, WHOLESALER will not use such information to solicit insurance and shall not disclose such information to anyone other than any company, agency or underwriter represented by WHOLESALER in connection with this agreement.

XIII. TERMINATION

This agreement may be terminated by either party upon 30 days written notice of termination to the other. Such termination however, will not affect the rights of the parties including, but not limited to, coverage, obligation to pay premiums, commissions payable and return commissions due on the date of termination.

If, upon termination of this agreement, the BROKER, has properly accounted for and paid to the WHOLESALER all monies due on policies by the WHOLESALER will pay commission to the BROKER based on the current commission schedule for a period of 12 consecutive months. This will be subject to a 90-day waiting period. The BROKER will not receive any commission for BROKER'S policies still on the WHOLESALER'S books after this 12-month period.

XIV. EVIDENCE OF INSURANCE

BROKER agrees to maintain an Errors and Omissions Liability Insurance Policy with a per claim limit and an aggregate limit each of not less than \$1,000,000, underwritten by an insured rated not less than A- by the A.M Best Company. BROKER further agrees to attach to this agreement a certificate of insurance evidencing this coverage at all times while this agreement is in effect.

Further, WHOLESALER also agrees to maintain an Errors and Omissions Liability Insurance Policy with a per claim limit and an aggregate limit each of not less than \$1,000,000, underwritten by an insurer rated not less than A- by the A.M. Best Company.

XV. COMPLETE AGREEMENT

This signed agreement incorporates all of the previous and contemporaneous discussions, representations, understandings and agreements between the parties with respect to the subject matter. The terms and conditions expressed in this agreement shall not be altered except in writing, signed by an authorized officer of BROKER and an officer of WHOLESALER.

XVI. ASSIGNMENT

This assignment is non-assignable and the BROKER may not assign or delegate any of the BROKER’S rights, interest, or obligations under this agreement without the express written consent of WHOLESALER.

XVII. WAIVER

No waiver or modification of this agreement shall be effective unless it is in writing and signed by a duly authorized office of WHOLESALER. The failure of WHOLESALER to enforce any provision of this agreement shall not constitute a waiver by WHOLESALER of any such provision. The past waiver of a provision by WHOLESALER or BROKER shall not constitute a course of conduct or a waiver in the future of that same provision.

XVIII. SEVERABILITY

If any provision hereof shall be held to be invalid or unenforceable, such legal defect shall not affect any other provision of this agreement.

XIX. JURISDICTION

This agreement shall be governed by the laws of the State of Connecticut, and any legal proceeding in connection with this agreement shall be brought only in a court of competent jurisdiction in the State of Connecticut.

In witness thereof, the parties have caused this agreement to be signed as of the date first above written:

BROKERAGE

Name

Legal Address 1

Legal Address 2

Signature

Title

Date

WHOLESALER

Osprey Underwriters, Inc.

777 West Putnam Ave

Greenwich, CT 06830

Signature

Title

Date