

## BROKERAGE AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between RISCO Insurance Brokerage Inc., a Rhode Island Corporation, with its office and principal place of business located at 60 Catamore Blvd., East Providence, Rhode Island, hereinafter referred to as RISCO, and

\_\_\_\_\_,  
(Name of Agency)

with its office and principal place of business at

\_\_\_\_\_,  
(Address, City, State, Zip Code)

hereinafter referred to as the Broker.

Whereas, the Broker wants RISCO to place certain risks of Broker's clients with various insurance carriers, in compliance with the laws, rules and regulations as pertains the placement of such risks; and

Whereas, RISCO agrees to allow the Broker a commission on such risks, if and when placed, in accordance with a commission amount as shall be agreed upon by the parties from time to time; it is mutually agreed as follows:

1. The Broker warrants that Broker is licensed by the state of \_\_\_\_\_ as an Insurance Broker under license number \_\_\_\_\_, and the license is currently in force. **A copy of the license should be attached to this agreement.**
2. The Broker acknowledges that he is the agent of the insured and is not an agent of, and has no authority to bind RISCO or any of its principals.
3. The Broker will be primarily liable to RISCO for the full amount of premium and applicable State taxes less commission, including additional premiums developed under audits or other premium adjustments, on every insurance contract placed for the Broker by RISCO. Such premiums and taxes shall be due by the Broker to RISCO from the date that liability is assumed by the insurer and are to be remitted to RISCO as follows:

The Broker agrees to remit full net pre-payment prior to the effective date of each new business policy. Renewal business full net payment must be made within ten days of the effective date of the policy. If pre-payment is not received, a late charge may be assessed, and policy(ies) may be subject to cancellation for non-payment per State law.

Audit premiums determined to be uncollectible must be returned to RISCO within 20 days of the invoice date. No commissions shall be due broker for returned audit premiums which are subsequently collected by RISCO or the insurer.

4. Any credit extended to the insured shall be the sole risk and responsibility of the Broker.
5. The Broker agrees to pay RISCO commissions on all return premiums at the same rate at which such commissions were originally allowed the Broker.
6. RISCO agrees to arrange for the issuance of requested policies, endorsements, or other coverage related forms and to forward the same to the Broker.
7. In the event the Broker fails to remit premiums as agreed herein, RISCO shall be entitled to the full reimbursement of all collection costs, including reasonable attorney's fees.

8. No insurance contract may be returned to RISCO by the Broker for flat cancellation unless such cancellation is agreed to by RISCO. In the event flat cancellation is not agreed to by RISCO, earned premium shall be computed and charged on every contract canceled after the inception date in accordance with the cancellation provisions of such contract.
9. The Broker hereby warrants that Errors and Omissions Insurance Coverage has been purchased and is in effect as follows: **A copy of the E&O Coverage should be attached to this agreement.**

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*(Carrier, Policy #, Limit of Liability, Expiration Date. Minimum Limit of \$1,000,000 required)*

The Broker further warrants that the premium for said policy has been fully paid and that the Broker shall keep such coverage in full force and effect at all times during the continuance of this Agreement.

10. The Broker shall indemnify and hold RISCO harmless against any claims, liabilities or costs which RISCO may become obligated to pay as a result of loss caused directly by an error of the Broker in the processing of any business placed and/or attempted to be placed by the Broker with RISCO.

RISCO shall indemnify and hold the Broker harmless against any claims, liabilities or costs which The Broker may become obligated to pay as a result of loss caused directly by an error of RISCO in the processing of any business placed and/or attempted to be placed by the Broker with RISCO.

11. This agreement shall be interpreted and enforced in accordance with the laws of the State of Rhode Island.
12. This agreement shall apply to current policies already placed and in force at the date hereof and all future policies which may be placed by RISCO for the Broker. This agreement supersedes all prior agreements entered into by RISCO and the Broker.
13. This agreement may be canceled at any time by no less than 30 days written notice of either party to the other, but the cancellation shall not alter in any way the continued application of this agreement to insurance policies effected prior to the date of such cancellation.
14. Your records and control of expirations, including those pertaining to direct bill business, and your work product are your property and will be left in your possession and control, provided you have paid and continue to pay all monies due RISCO as required by this Broker Agreement.

**Agreement Accepted By:**

**RISCO Insurance Brokerage, Inc.**

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**Signature of Principal**

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**Signature**

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**Print Name**

**Date**

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**Title**

**Date**