

# SURPLUS LINE MANAGERS, INC., CMGA

A Minuteman SERVICE Company

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## BROKERAGE AGREEMENT



Specialty  
Insurance  
For  
Brokers Only

This agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, by and between Surplus Line Managers, Inc., a New Hampshire Corporation having its principal office located at 152 South Mast Street, Goffstown, New Hampshire 03045 (hereinafter sometimes referred to as SLM) and \_\_\_\_\_ a duly licensed broker or producer having its principal office located at \_\_\_\_\_ (hereinafter sometimes referred to as Broker) whose federal tax payer identification number is \_\_\_\_\_.

Whereas, Broker desires SLM to place risks of Broker's clients (hereinafter sometimes referred to as the Insured), with various insurance carriers and risk bearing organizations, and

Whereas, SLM expends time, money and renders valuable services in placing such risks for Broker,

Now, therefore, in consideration of SLM placing or attempting to place such risks for broker and in consideration of the promises and agreements herein contained, it is mutually agreed that:

1. Broker shall be primarily liable to SLM for the full amount of premium and applicable State taxes, less commission, including but not limited to additional premiums developed under audits, retrospective penalties and policy fees, on every insurance contract or premium finance agreement placed for broker. Such premiums and taxes shall be due and payable by broker to SLM upon demand under such terms as SLM shall from time to time announce. ANY CREDIT EXTENDED TO THE INSURED SHALL BE AT THE SOLE RISK AND RESPONSIBILITY OF THE BROKER.
2. If after the expiration of thirty (30) days from the date liability was assumed by the insurance carrier, SLM has not received the amount due it, SLM may at its option attempt to collect from the insured the premiums due. In the event SLM collects the premium or any part thereof from the insured, Broker shall not be entitled to any commission on the amounts so collected. Attempts by SLM to collect from the insured shall not relieve Broker of liability to SLM except to the extent of amounts actually collected from the insured less expenses of such collection.
3. Broker is not the agent of and has no authority to bind SLM or any of its principals or insurance carriers to any risk. Broker shall at all times be considered an independent contractor and SLM shall not be responsible for any expenses incurred by Broker.
4. No insurance contract may be returned to SLM by Broker for flat cancellation unless it is returned prior to the inception, or effective date of the contract. Earned premiums shall be



computed and charged on every contract in accordance with the cancellation provisions of such contract.

5. In any action or proceeding brought by SLM to recover any sums due from broker to SLM under the terms of this agreement, broker agrees to pay costs incident thereto, including reasonable attorney's fees and court costs incurred by reason of such action or proceeding.
6. Broker agrees to maintain Errors and Omissions insurance coverage during the entire term of this agreement and to hold SLM harmless against any claims, liabilities or costs which SLM or its principals may become obligated to pay as a result of loss to insureds caused by an error or omission of the broker.
7. This agreement and the terms and provisions hereof shall be deemed construed and interpreted under the laws of the State of New Hampshire.
8. Broker agrees to maintain a separate trust account for all premiums due hereunder.
9. In the event of termination of this agreement, broker having promptly accounted for and paid all indebtedness for which it may be liable, brokers' records, use and control of expirations shall remain the property of broker and left in brokers undisputed possession.
10. This agreement may be terminated at any time by either party upon receipt of written notice but said termination shall not alter in any way the continued application of this agreement to insurance policies and risks effective prior to the date of such termination.
11. Broker warrants to maintain proper licensing at all times with the appropriate insurance authority and to promptly pay all premium taxes when due.
12. Should any portion of this agreement be deemed unenforceable, the remaining portions shall be considered valid and enforceable.

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

_____	_____	_____
Broker Signature & Title	Witness	Date
Broker License Number _____		
_____	_____	_____
Surplus Line Managers, Inc.	Witness	Date