



Insurance Systems & Solutions

INSYST | Insurance Systems & Solutions, Inc.

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Cal. License No. OK64510

## **Producer/Broker Agreement**

Broker (identified below) desires access to the insurance facilities which correspond with INSYST INSURANCE SYSTEMS AND SOLUTIONS, INC. ("INSYST"). INSYST agrees to accept submissions from Broker for the purpose of placement into said facilities under the following Stipulations:

1. Broker shall be at all relevant times licensed as a property and Casualty Broker in accordance with the insurance statutes of the state(s) from which it submits business, and such licensing shall be maintained by the Broker during the term of this agreement. If Broker breaches this requirement, Broker shall return all commissions paid during the period which licensing was not maintained and indemnify and defend INSYST for all other damages and costs sustained by INSYST as a result of the breach.
2. Broker agrees that no employment or agency relationship exists between Broker and INSYST, and Broker is strictly prohibited from acting in any way which could cause a third party to believe that Broker is an employee or agent of INSYST or any of the insurance facilities represented by INSYST. Broker acknowledges that Broker is an "Insurance Broker" as that term is defined in California Insurance Code Section 33 and that Broker is acting on behalf of Broker's client in all transactions under this agreement. California Insurance Code Section 33 reads as follows: "An insurance broker is a person who, for compensation and on behalf of another person, transacts insurance other than life insurance with, but not on behalf of, an admitted insurer."
3. Broker shall not have authority to bind any coverage with any of INSYST's insurance facilities, or make any changes in the terms or conditions of any coverages placed through INSYST. Broker shall not have authority to collect money, issue quotes, binders, policies, endorsements or any other form which may be construed as evidence of coverage for insurance placed through INSYST.
4. Broker shall obtain full authority and payment from all of Broker's insureds before placing any insurance through the insurance facilities of INSYST and warrants that if Broker signs applications for insurance on behalf of any insured or requests a binding, Broker shall have obtained prior authority and money to bind each policy from such insured.
5. Broker agrees to promptly pay INSYST any open accounts, accounts stated, or other valid indebtedness arising out of or relating to this agreement and Broker further warrants and guarantees to pay earned premiums or fees (including minimum premiums and all other charges for the time coverage is in effect on any insurance written through the facilities of INSYST, including return commissions on any return premiums) whether or not insured(s) pay Broker such premiums or fees. Broker agrees that no flat cancellation shall be allowed.
6. No deposit or payment accepted or received by Broker for premium due shall be deemed paid to INSYST until such payment is actually received by INSYST.

7. The fee assessed for a check returned for non-sufficient funds (NSF) or a stop payment will be \$25.00.
8. Broker shall promptly notify INSYST in writing of any claim, demand, lawsuit or other action or report of such known to Broker in which INSYST or any of its underwriting or servicing companies are named.
9. Broker acknowledges and agrees that in the event INSYST or any of INSYST' insurance facilities or affiliate companies or representatives are named in a claim and/or litigation or any administrative action arising out of or related to the performance of any duties by Broker, then Broker shall be obligated to defend, indemnify, and hold INSYST and its insurance affiliates harmless from such claim and/or litigation. Nothing herein shall preclude INSYST, at its option, from undertaking its own defense though any such undertaking on the part of INSYST shall be deemed an accommodation and not a contractual obligation.
10. INSYST acknowledges and agrees that in the event Broker or any of Broker's insurance facilities or affiliate companies or representatives are named in a claim and/or litigation or any administrative action arising out of or related to the performance of any duties by INSYST, then INSYST shall be obligated to defend, indemnify, and hold Broker and its insurance affiliates harmless from such claim and/or litigation. Nothing herein shall preclude Broker, at its option, from undertaking its own defense though any such undertaking on the part of Broker shall be deemed an accommodation and not a contractual obligation.
11. In the event of litigation between Broker and INSYST arising out of this agreement the prevailing party shall be entitled to an award of reasonable attorneys' fees and all costs in addition to any and all other damages to which the prevailing party may be legally entitled.
12. INSYST shall have no responsibility for any of the Broker's expenses.
13. This agreement shall be effective as of the date hereinafter written and shall remain in force and effect until cancellation which may be effected by either party giving to the other a written notice of cancellation mailed by 1st class postage prepaid or sent by electronic transmission to the Broker's email address on file or to the other party at the address first hereinafter written or such other address as may from time to time in writing be specified by either party to this agreement for the giving of notice.

Producer/Broker

\_\_\_\_\_ ("Broker)

Company Name – Print

By:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PRODUCER/BROKER AGREEMENT COMMISSION ADDENDUM

1. INSYST shall compensate the Broker for all policies placed by the Broker which result in collected premium. The commission rate is shown below and is agreed to by the Broker as the maximum commission and includes any commissions due to any sub-producer, the payment of which shall be the responsibility of the Broker.
2. If required by law, all commission, fees and other charges must be fully disclosed to the insureds by the Broker. In the event of policy changes, including cancellations, which result in a net premium return, the Broker shall be responsible for payment of any and all return commission to INSYST and company represented by INSYST.
3. Any return commission shall be at the same rate at which such commission was originally paid.
4. Any return commission is due in full to INSYST immediately upon the effective date of the policy change.
5. The right of the Broker to receive commissions is subordinate to the right of INSYST to offset or apply such commissions against any debt of the Broker owed to INSYST.
6. INSYST may, upon thirty (30) days notice, make changes to the commission rate used for calculating Broker commissions.
7. INSYST Producer/Broker Agreement Commission Addendum:

**Broker Commission Rate: \_\_\_\_\_ % of premium exclusive of fees produced by Broker.**

This Commission Addendum is entered into this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Producer/Broker

\_\_\_\_\_  
("Broker)

Company Name – Print

By: \_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title of Authorized Agent

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Date

**INSYSY INSURANCE SYSTEMS AND SOLUTIONS, INC.**

By: DANIEL M. AGRELLA  
Print Name

PRESIDENT/CEO  
Title of Authorized Agent

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Date