

Yates & Associates

Insurance Services

License No 0705050

BROKERAGE AGREEMENT

This document must be completed in full before we can process any further business

1. Name on License:
(DBA): _____
2. Mailing Address: _____
3. Location Address (If more than one office, please indicate on separate sheet of paper) _____
4. Phone Number: _____
5. Fax Number: _____
6. E-Mail Address: _____
7. Web-Site: _____
8. Is Agency Owned by:
 - A. **Individual:** Name: _____
Home Address: _____
Home Phone: _____
Social Security No: _____
 - If Income Taxes are reported under another number, please supply number: _____
 - _____
 - B. **Corporation:** Federal Tax ID No: _____
9. Date agency established: _____
10. License Information:

Agency/Broker	Yes	No
Surplus Line	Yes	No
11. Do you have E&O Coverage Yes No

Please attach a current copy of your license, brokers bond and E&O Verification

12. Trust Account/Bank Name: _____
Address: _____
Account No: _____
13. Agency estimated total annual premium written: \$ _____
Commercial Lines: \$ _____
Personal Lines: \$ _____
14. Form Completed by: _____ Date: _____

It is agreed that the terms of agreement shall apply to all business placed by the insurance agency identified below and its representatives (hereinafter referred to as **BROKER**) and **YATES & ASSOCIATES INSURANCE SERVICES** (hereinafter referred to as **YATES & ASSOCIATES**).

YATES & ASSOCIATES is a surplus lines broker and has access to certain insurance companies or markets which the **BROKER** does not have direct access to and **YATES & ASSOCIATES** agrees to use such markets, at its discretion, to place business for the **BROKER**.

The **BROKER** and **YATES & ASSOCIATES** agree to the following conditions:

I AUTHORITY

- 1.1 The **BROKER** represents the insurance applicant or insured and does not represent **YATES &**

ASSOCIATES or any insurance company or market of **YATES & ASSOCIATES**. As such, the **BROKER** has no authority either in his own name or in the name of the **YATES & ASSOCIATES** or any insurance company or market of **YATES & ASSOCIATES** to bind or commit **YATES & ASSOCIATES** or any insurance company or market of **YATES & ASSOCIATES** to coverage or to change, alter or amend coverage or policy terms or conditions unless first approved and given authority to do so by **YATES & ASSOCIATES**.

- 1.2 Nothing contained herein shall create the relationship of employer and employee between **BROKER** and **YATES & ASSOCIATES** and it is agreed and understood that no such relationship exists.
- 1.3 **YATES & ASSOCIATES** is under no obligation to write or place insurance for any specific risk submitted by the **BROKER**.

II. COMMISSIONS, PREMIUMS AND ACCOUNTING

- 2.1 The **BROKER** hereby guarantees all premiums due **YATES & ASSOCIATES** on all insurance effective under this Agreement or any Addendum's to this Agreement.
- 2.2 The **BROKER** agrees to pay monies to **YATES & ASSOCIATES** when due for all premium, applicable taxes, brokers, policy or reinstatement fees invoiced by **YATES & ASSOCIATES**
- 2.3 The **BROKER** also agrees to return unearned commission to the insured or premium finance company (whichever is applicable) when due.
- 2.3 In the event **YATES & ASSOCIATES** is forced to undertake collection action by way of a lawsuit, through a collection agency or otherwise as a result of **Broker's** failure to timely pay and remit monies for premiums, applicable taxes, brokers, policy or reinstatement fees when due and owing, **BROKER** agrees to pay all collection charges, attorney's fees and costs incurred in connection with any such action.
- 2.4 Commissions that are payable to the **BROKER** will be specified on each individual risk by **YATES & ASSOCIATES** and are subject to change on a risk by risk basis.

III. UNCOLLECTIBLE AUDIT PREMIUMS

- 3.1 If, after diligent effort by the **BROKER**, and interim or final additional premiums developed by audit or under reporting form policies cannot be collected by the **BROKER**, then **YATES & ASSOCIATES** may undertake collection if, in its sole discretion, it determines to do so and relieve **BROKER** from any further responsibility for such premiums, provided
- A. The **BROKER** notifies **YATES & ASSOCIATES** within thirty (30) days of the initial billing date of such items;
 - B. The **BROKER** forwards copies of all writings (including, without limitation, correspondence, invoices and accounting records) relating to the collection efforts made by the **BROKER**; and
 - C. **BROKER** waives any right to and no commission shall be paid to the **BROKER** on such premiums collected by **YATES & ASSOCIATES**.

IV. OWNERSHIP OF ACCOUNTS

- 4.1 **YATES & ASSOCIATES** expressly recognizes the ownership of the insurance business, the ownership of renewals and the right to market such renewals belong to and are the property of the **BROKER**. However, in the event the **BROKER** fails to properly account for and pay all premiums due to **YATES & ASSOCIATES** in accordance with the terms of this Agreement, the ownership and control of such business shall rest in **YATES & ASSOCIATES** if it so chooses by notifying the **BROKER** in writing.
- 4.2 The renewal ownership is the property of you the **Broker**. It is you the **Brokers** responsibility to maintain a diary system for **Policy Expirations**. **Yates & Associates** bears no responsibility to send renewal offers for any policies that are not subject to the California Insurance Code Regulations.

Signature of Principle

Date

Non-receipt of the signed addendum does not relieve you of your responsibility.

V INSURANCE AND INDEMNITY

- 5.1 **BROKER** represents and warrants complying with all applicable codes, statutes and regulations and that it is duly licensed to conduct the business that is the subject of this Agreement.
- 5.2 The **BROKER** agrees to indemnify and hold **YATES & ASSOCIATES** harmless for any claim or loss or demand for damages which is the result of any act, error or omission by the **BROKER** or any employee, agent, representative or subproducer of the **BROKER**, provided such claim, loss or demand was not solely caused by the negligence or other act or omission of **YATES & ASSOCIATES**. (SEE AMENDMENT BELOW)

** Amendment to Section VI (Insurance and Indemnity), item 5.2.

With respect to the verbiage listed above, it is hereby also agreed Yates and Associates agrees to indemnify and hold the broker harmless for any claim or loss or demand for damages which is the result of any act, error or omission by Yates and Associates or any employee, underwriter or representative of Yates and Associates, provided such claim, loss or demand was not solely caused by the negligence or other act or omission of the Broker.

- 5.3 The **BROKER** agrees to maintain, at all times, errors and omissions insurance covering the **BROKER** and its employees

VI. TERMINATION OF AGREEMENT

- 6.1 Either party may cancel this Agreement at any time hereto by the giving of written notice to the other party at the last known business address of such party. In the event that either party cancels this Agreement it shall still apply and remain effective with respect to all business written prior to such cancellation.
- 6.2 Any change to this Agreement may only be made in writing and is not effective unless agreed to, in writing, by **YATES & ASSOCIATES**.

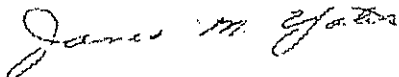
VII. AGREEMENT TO RECEIVE ADVERTISING MATERIAL

- 7.1 The **Broker** agrees to receive advertising material and announcements from **Yates & Associates** on a periodic basis. This advertising material and announcements maybe sent via the U.S. mail, via facsimile broadcasts or by e-mail
- 7.2 **Yates & Associates** agrees to discontinue sending periodic advertising material upon written request from the Broker to do so.

This Agreement constitutes all agreements between the **BROKER** and **YATES & ASSOCIATES** and supersedes all such previous agreements.

Agency Name _____
Address _____

Signature _____
Title _____

YATES & ASSOCIATES 

James M. Yates CEO

Date: _____