

Risk Placement Services, Inc. (an Illinois corporation), through its CMS division

1800 Walt Whitman Road, Suite 140. Melville, NY 11747 (631)577-4450 Fax (631)577-4465

**BROKERING AGREEMENT**  
**(Allstate Insurance Agent)**

Hereinafter "CMS" having an office at 1800 Walt Whitman Road, Suite 140. Melville, NY 11747, and,

\_\_\_\_\_ having an office at

\_\_\_\_\_  
Hereinafter ("Producer"), in consideration of the mutual covenants and agreements herein contained, agree as follows:

1. CMS hereby appoints the Producer, and The Producer agrees to act on behalf of CMS as a producer in the solicitation of insurance. The Producer represents and warrants that it is, and will be throughout the term of this Agreement, duly licensed to receive commissions and perform all obligations contemplated hereunder.

2. The activities of the Producer are limited to the following territory:

\_\_\_\_\_.

3. This agreement shall become effective on the date this agreement is duly executed by an authorized officer of CMS

4. The Producer agrees to transact all business with CMS in accordance with all applicable laws and Insurance Department rules and regulations, as well as, guidelines and instructions now in force or hereafter issued by CMS. It is further agreed that the commissions specified herein may be modified, without prior notice, to conform legally with the commissions prescribed by any statute or by any ruling of the Insurance Department of the State of \_\_\_\_\_  
\_\_\_\_\_.

5. During the term of this agreement, CMS will pay, as full compensation for all services rendered in connection with premiums paid on policies issued effective on and after the date this agreement shall become effective, in accordance with the attached Commission Schedule. CMS reserves the right to modify the commission schedule, from time to time, without prior notice and in its sole discretion.

6. Subject to the terms and conditions of this Agreement, the Producer shall be entitled to the above mentioned commission upon premiums paid on all policies renewed by it and upon additional premiums paid on policies written or renewed by it during the term of this Agreement. The Producer shall not be entitled to any commission on additional premiums for policies not written or renewed by it. If CMS shall return to any insured produced by producer premiums for any period, the Producer shall repay to CMS the commission on the portion of the premiums so returned.

7. The Producer shall be responsible in a fiduciary capacity for all funds received or collected as Producer and shall not, without the express written consent of CMS commingle such funds with its own funds held by it in any other capacity.

8. The Producer shall be responsible for all premiums placed on the books of CMS, through Producer's office together with all premiums or monies collected by Producer in connection with such business. This section applies only to those premiums paid directly to the producer.

9. Premiums on policies placed by CMS on behalf of Producer shall be paid to CMS by Producer no later than the 30<sup>th</sup> day of the first month in which the policy or policies become effective or are shown on account current. This section only applies to premiums paid directly to the producer.

10. All monies due to CMS by Producer must be paid promptly on the date due. In the event the monies due to CMS are not paid by the due date, Producer shall pay interest at the rate of prime plus (1%). Prime shall be defined as the Applicable Federal Rate then in effect in accordance with the Internal Revenue Code and regulations. This section applies to premiums paid directly to the producer.

11. The Producer shall report any insurance that is solicited to CMS by delivering such report directly to CMS or by depositing such report in the United States mail no later than the next business day following the day upon which the insurance is solicited. The Producer agrees to solicit and submit insurance policies as authorized and outlined by CMS's underwriting rules, guidelines and furnished manuals, instructions and bulletins. **THE PRODUCER FURTHER UNDERSTANDS AND ACKNOWLEDGES THE IT DOES NOT HAVE ANY DIRECT, EXPRESS OR IMPLIED AUTHORITY TO BIND ANY INSURANCE COVERAGE ON BEHALF OF CMS OR ANY COMPANY REPRESENTED BY CMS.**

12. The Producer has no authority to: (a) make, alter, vary or discharge any contract; (b) to extend a time for payment of premiums; (c) to waive or extend any obligation or condition; (d) to incur any liability on behalf of CMS.

13. If the Producer shall fail to report all business written by it or shall fail to pay to CMS premiums collected by it when due hereunder or shall otherwise breach this Agreement (any such event referred to as "Event"), then all of its rights under this Agreement to commissions on all premiums then unpaid to CMS shall there by forthwith terminate and shall be held by CMS until a final accounting is performed with respect to the Producer. Any commissions due the Producer may be held by CMS and applied to offset Producer's obligations to CMS hereunder. Upon the occurrence of any such event, CMS shall have the exclusive right in its discretion and for its benefit to collect any and all outstanding accounts receivable due to CMS on business written through CMS.

14. If any premiums for lines of insurance are not collected within thirty (30) days from the effective dates of the respective insurances requested by the Producer, the Producer agrees that it will be liable to pay and will pay to CMS the premium due upon such policy or policies, unless at or before the expiration of such thirty (30) days it either returns to CMS for cancellation, or notifies CMS to cancel, the policy or policies so outstanding, or as agreed in paragraph 10 above, and upon which the Producer is fully responsible for payment to CMS in accordance with the terms of this contract all earned premium from their inception date.

15. The Producer shall be responsible for any additional premiums shown to be due under payroll, audits or otherwise and shall pay them to CMS within 20 days and will be billed under separate notice. If such payments are not paid within 20 days the Producer must notify CMS and CMS will have the option to return the premium for direct collection. If notice is not given within 20 days, then the Producer will be held responsible for the premium. If the premium is sent back for direct collection, then the Producer shall not be entitled to any commission thereon.
16. Audits and copies of the Producer's records and books may be made by any duly authorized representative of CMS during normal business hours. This pertains to CMS accounts which are not paid according to paragraph 15. CMS agrees to provide one (1) week advance written notice requesting access to audit materials.
17. The Producer shall not offer nor shall pay rebates on any line of insurance covered by this Agreement, nor shall it accept any merchandise or service of any character in payment of premiums.
18. The Producer shall not publish or issue any advertising respecting CMS without first obtaining the written consent of CMS.
19. All Former contracts and agreements between the Producer and CMS are hereby cancelled and the producer shall hereafter act for CMS under this agreement only.
20. The Producer will take every reasonable opportunity to keep informed as to the condition of all risks covered by CMS and will promptly inform CMS of any material which might result in loss or render any risk undesirable.
21. The Producer shall promptly forward to CMS any information or documents regarding accidents, claims or suits that it may receive.
22. The waiver by CMS of any breach, default, neglect or misconduct of the Producer shall not be construed as a waiver of any terms, provisions or conditions hereof nor shall be construed as authority for the continuance of any such breach, default, neglect or misconduct.
23. Either party to this Agreement may terminate the same by giving 90 days' notice to the other party and Ivantage Select Agency, Inc. in writing, and the power of the Producer to collect and receive premiums shall end with the termination of this Agreement, and the Producer will immediately return to CMS, or its duly authorized representative, a certified list of uncollected accounts, all unused supplies and other property of CMS. Upon termination, the Producer shall be entitled to commissions that are paid or payable as of the date of termination, but in no event shall the Producer be entitled to commissions on insurance in force, or any renewal thereof, after the date of termination.
24. Producer agrees to indemnify and hold CMS harmless against all claims, loss, liability, cost and expense, including attorney's fees, incurred by CMS in connection with any error or omission by Producer, the breach of this Agreement by Producer or the enforcement of CMS's rights with respect thereto.

25. This Agreement shall be binding on the Producer and the officers, directors, shareholders or principals listed, who shall be deemed to have joined in this Agreement as if a party hereto. This Agreement is personal to Producer and is non-assignable.

26. Producer acknowledges and agrees that it is an independent contractor and that nothing contained in this agreement shall be deemed to create an employer/employee relationship.

27. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of law rules. Any disputes arising out of or relating to this Agreement or the relationship created between the parties hereto shall be resolved in the State Courts of New York and venue shall be Nassau County, New York. Producer hereby agrees and consents to the jurisdiction of any such courts.

28. This agreement constitutes the entire Agreement and understanding between the parties and supersedes any prior Agreement between the parties, whether written or oral. This Agreement may not be modified or amended except in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below:

**CMS**

**PRODUCER**

By: \_\_\_\_\_

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

Its: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_



**ADDENDUM #1**  
**COMMISSION SCHEDULE**

Effective January 1, 2005 and until further notice, as full compensation for all services rendered in connection with premiums paid on policies issued effective on and after January 1, 2005, CMS will pay the following commissions:

**COMMERCIAL LINES**

All Lines	40% of the commission received from carrier
Commercial Auto (Outside Allstate's Guidelines)	50% of the commission received from carrier
Bonds	40% of the commission received from carrier