



RETAIL BROKERAGE AGREEMENT

AGREEMENT, made this ____ day of _____, 20____, between DISTINGUISHED PROGRAMS INSURANCE BROKERAGE LLC., a New York corporation, having an office at 1180 Avenue of the Americas 16 fl. New York, NY 10036 (referred to herein as "DPIB"), and _____, a corporation, having an office at _____ (referred to herein as "Broker").

WHEREAS, DPIB is an insurance broker engaged in the business of placing insurance risks with various insurance companies; and

WHEREAS, DPIB is able to place various types of insurance business with certain insurance carriers by virtue of its relationship with those carriers (referred to herein as "Markets"); and

WHEREAS, Broker desires to place insurance business with DPIB's Markets, and also desires the services, underwriting facilities, knowledge, and specialized skills of DPIB in connection with the placement of insurance for Broker's customers.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants set forth herein, the parties hereto, intending to be bound in contract, hereby agree as follows:



1. Placement Services.

(a) DPIB will use its best commercially reasonable efforts to obtain insurance from its Markets for risks submitted to it by Broker, provided, however, that DPIB shall have no obligation to seek coverage with respect to those risks for which it believes coverage is unavailable, or with respect to which the financial incentive for making such a placement would not be sufficient. Anything in this Agreement to the contrary notwithstanding, DPIB does not guarantee that it can or will obtain insurance for Broker's customers.

(b) DPIB shall not be deemed to be an insurer and shall have no obligation whatsoever with respect to any loss, claim, damage or other injury incurred by any person in connection with the business subject to this Agreement.

(c) Broker shall have sole discretion to submit business to DPIB and shall have no obligation to submit business to DPIB.

2. Scope of Agreement.

This Agreement shall apply to all business submitted by Broker to DPIB for placement by DPIB with its Markets, including insurance policies previously placed and in force as of the date hereof. The relationship of the parties shall be that of independent contractors and nothing herein shall create the relationship of principal and agent either between the parties hereto or between DPIB and Broker's customers, or the relationship of employer and employee. Broker acknowledges that in submitting risks to DPIB for placement of insurance Broker shall be deemed to be acting as the representative of such risks and not of DPIB or of any insurance carrier.



3. Binding Authority.

Broker acknowledges and agrees that no binding authority is or shall be granted or delegated to, or conferred upon, Broker by this Agreement.

4. Ownership of Expirations.

Upon termination of this Agreement, provided the Broker is not in breach of any of its obligations pursuant to this Agreement, the records of the Broker and the use and control of expirations with respect to business written pursuant to this Agreement, shall be the exclusive property of the Broker.

5. Commissions and Fees.

(a) Except as set forth in a separate addendum to this Agreement and signed by DPIB, DPIB shall be entitled to one hundred percent (100%) of the commission payable in connection with the business subject to this Agreement. DPIB shall have no obligation to pay Broker any fee, commission or other thing of value in connection with such business. Broker acknowledges and agrees that it shall have no right to seek payment of any kind from DPIB and that the consideration for its obligations hereunder is its ability to place insurance for its customers with DPIB's Markets.

(b) DPIB is not and shall not be a party to any arrangement or agreement between Broker and any of its customers for the payment of a fee or other compensation to Broker. Any such agreement or arrangement shall be strictly between Broker and its customers and DPIB shall have no rights or obligations in connection therewith.



6. Representations and Warranties of Broker.

In order to induce DPIB to enter into this Agreement, Broker represents and warrants that:

(a) it holds all licenses and permits required by any applicable federal, state or local law or regulation in order to produce business in connection with this Agreement, and all such licenses will be maintained in full force and effect throughout the term of this Agreement;

(b) in placing business through DPIB pursuant to this Agreement, Broker will comply with all applicable laws and regulations;

(c) all insurance costs including premium received by Broker shall be deposited by it in a fiduciary account prior to being remitted to DPIB, and shall not be commingled with Broker's operating account(s); at all times that this Agreement shall be in effect, Broker shall comply with all applicable laws and regulations concerning insurance costs including premium funds;

(d) at all such times that this Agreement shall be in effect, Broker shall be covered by a policy of insurance broker's errors and omissions insurance issued by _____ Insurance Company, an insurer licensed to do an insurance business in the State of New York with limits of liability not less than \$1 million per occurrence/\$3 million aggregate; in the event such coverage is issued on a claims-made basis, Broker will purchase the maximum extended reporting period provided by the policy. A copy of the policy in effect as of the effective date of this Agreement is attached as Exhibit "A" hereto.



7. Billings and Accounts.

(a) Broker shall accept DPIB's billings, which, at DPIB's sole discretion, may take the form of binders, invoices, statements or similar documents (referred to herein as "Billings"). The balance due as shown on such Billings shall be paid by Broker by the due date stated therein.

(b) Broker unconditionally guarantees payment of all insurance costs including premium on business subject to this Agreement including deposit, earned, extension and adjustable insurance costs including premium, irrespective of whether insurance costs including premium are collected by Broker. Without limiting the generality of the foregoing, Broker's guarantee of all insurance costs including premium and obligations to make payment to DPIB is not contingent upon the issuance of a policy. Any credit extended shall be at the sole risk of Broker.

(c) Broker shall be solely responsible for the collection and payment of all insurance costs including premium (including minimum earned insurance costs including premium), counter-signature fees and resulting charges required by any state, or any other applicable fees and taxes; and Broker agrees to make full payment to DPIB under the terms and conditions established at the time coverage is bound on any business.

(d) Broker acknowledges and agrees that DPIB's business depends on maintaining a good credit relationship with its Markets and that DPIB will suffer damages as a result of Broker's failure to pay upon demand of DPIB, or any Market. In the event of any disagreement between DPIB and Broker concerning the amount of any insurance costs including premium due, Broker shall make payment of any disputed amount notwithstanding such disagreement. The



parties will use their best commercially reasonable efforts and act in good faith to resolve such dispute after such payment is made.

8. Cancellation of Insurance.

(a) Anything to the contrary in this Agreement notwithstanding, DPIB shall have the right, at its sole discretion, to cancel any binder, policy or contract of insurance on business placed pursuant to this Agreement in accordance with the cancellation provisions of such binder, policy or contract, including but not limited to cancellation for non-payment of insurance costs including premium. Broker shall not be entitled to a credit for any flat cancellation unless such credit has been granted to DPIB by its Market.

(b) Earned insurance costs including premium shall be computed and charged on every insurance contract canceled after the inception date in accordance with the cancellation provisions of the contract and/or rules of the Market. In the event Broker fails to make timely payment of any amount required under this Agreement, DPIB shall have the right, in addition to any other remedy, to cancel policies for non-payment of insurance costs including premium. If coverage is bound on business produced by Broker, the insurance cost including premium will be due in accordance with the policy terms and conditions.

9. Tax.

In the event a portion of the insurance costs including premium shall be returned by reason of an adjustment or cancellation of a policy for whatever reason, no amount of tax shall be returnable until recovered by DPIB or its Market and the amount to be returned shall in no event exceed the amount so recovered.

**10. Claims.**

For those policies requiring “Direct Reporting” of claims (claims that go directly from the Broker to the Market), Broker shall immediately notify Market(s) in writing of all claims, suits, and notices of loss (collectively "Loss") arising under insurance placed by DPIB pursuant to this Agreement. For those policies requiring reporting of claims to DPIB, Broker shall immediately notify DPIB in writing of all claims, suits, and notices of loss (collectively “Loss”) arising under insurance placed by DPIB pursuant to this Agreement. DPIB will use its reasonable best efforts to assist with Market(s) claims handling should Broker request it. DPIB assumes no obligations, nor any liability in connection with the settlement of any Loss or the reporting thereof.

11. Advertising.

(a) Broker shall not publish, circulate or issue any advertisement, letter, circular, pamphlet or other publication or statement, written, oral, or otherwise, referring to DPIB, or any of its insurance programs, without the prior written consent of DPIB.

(b) DPIB shall not publish, circulate or issue any advertisement, letter, circular, pamphlet or other publication or statement, written, oral, or otherwise, referring to Broker, without the prior written consent of Broker.

12. No Additional Producers.

All business submitted by Broker pursuant to this Agreement shall be direct business; business with respect to which Broker does not deal directly with the customer, or with respect to which other producers are the broker of record, shall not be eligible and shall not be submitted to DPIB without the prior written consent of DPIB.

**13. Hold Harmless.**

(a) Broker shall indemnify and forever hold harmless DPIB, and any successor corporation, and their officers and directors, against any and all liabilities, claims, causes action, losses, damages (including attorneys' fees) resulting from or attributable to any and all acts or omissions of the Broker, or any breach by Broker of any obligation arising under this Agreement.

(b) DPIB shall indemnify and defend Broker against liability, including cost of defense and settlements imposed upon him/her by law for damages sustained by policyholders and caused by acts or omissions of DPIB, provided the Broker has not primarily caused or contributed to such liability by his/her own acts or omission. The Broker agrees, as a condition of such indemnification, to notify DPIB promptly of any claim or suit against him/her and to allow DPIB to make such investigation, settlement or defense thereof as DPIB deems prudent.

14. Cancellation of Agreement.

This Agreement may be canceled at any time by written notice of either party to the other. The respective rights and obligations of the parties pursuant to this Agreement with respect to business placed by DPIB shall not be affected by such cancellation.

15. Miscellaneous.

(a) This Agreement shall not be assigned by either of the parties, and their respective obligations hereunder shall not be delegated without the prior written consent of all parties hereto.



(b) This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated hereby and supersedes all previous written or oral negotiations, commitments and writings pertaining thereto. The captions in this Agreement are for convenience of reference only, do not form a part hereof and do not in any way modify, interpret or construe the intentions of the parties. This Agreement may be executed in counterparts, all of which shall constitute one and the same instrument.

(c) If any one or more of the provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement will not be affected thereby and the parties will use all reasonable efforts to substitute one or more valid, legal and enforceable provisions which, insofar as practicable, implement the purposes and intents hereof. To the extent permitted by applicable law, each party waives any provision of law which renders any provision of this Agreement invalid, illegal or unenforceable in any respect.

(d) The failure of DPIB to insist in any one or more instances upon strict performance of any of the provisions of this Agreement, or to exercise any option herein contained, shall not be construed as a waiver or a relinquishment of such provisions, but the same shall continue and remain in full force and effect.

(e) This Agreement shall be governed by and construed according to the laws of the State of New York, without giving effect to its conflicts of laws principles.

(f) All notices required or permitted hereunder shall be effective 5 business days after the mailing thereof, in a stamped or postage paid envelope addressed, or upon facsimile transmission,



If to DPIB, to:

James A. Tesoriero, Executive Vice President
Distinguished Programs Insurance Brokerage LLC
1180 Avenue of the Americas 16 fl.
New York, NY 10036
Fax: 212-297-3132
jtesoriero@distinguished.com

If to the Broker, to

Three horizontal lines for signature or name entry.

Fax#: _____ E-mail: _____

IN WITNESS WHEREOF, this Agreement has been signed in duplicate by the parties hereto and shall be effective as of the date first above written.

BROKER:

By: _____ Dated: _____

Title: _____

DISTINGUISHED PROGRAMS INSURANCE BROKERAGE LLC



By: _____ Dated: _____

James A. Tesoriero, Executive Vice President
 Distinguished Programs Insurance Brokerage LLC
 1180 Avenue of the Americas 16 fl.
 New York, NY 10036
 Fax: 212-297-3132
 jtesoriero@distinguished.com

ADDENDUM TO BROKERAGE AGREEMENT

ADDENDUM TO BROKERAGE AGREEMENT dated _____
 between Distinguished Programs Insurance Brokerage LLC. ("DPIB") and

 ("Broker").

1. Section 5, Commissions and Fees, of the Broker Agreement is amended by adding the following: DPIB will share its commission with the Broker on the following classes of business and in the following percentage(s):

Class of Business	Percentage Commission Due Broker
VARIOUS	As documented on individual accounts

The foregoing percentage(s) shall be limited to commissions on business with respect to which the Broker played a role in the insurance transaction, either by producing the client, assisting in the placement, or otherwise participating in the negotiation of the coverage. This addendum applies only to business submitted



by Broker to DPIB pursuant to the Brokerage Agreement from and after the date of this addendum.

2. All other terms and conditions of the Broker Agreement remain unchanged.

BROKER:

By: _____ Title: _____

DISTINGUISHED PROGRAMS INSURANCE BROKERAGE LLC

By: _____ Dated: _____

James A. Tesoriero, Executive Vice President
Distinguished Programs Insurance Brokerage LLC
1180 Avenue of the Americas 16 fl.
New York, NY 10036
Fax: 212-297-3132
jtesoriero@distinguished.com