



Broker Agreement

This Agreement is entered into, to be performed, and its effective this ___ day of _____, 20___ in El Cajon, California by and between Calypso Insurance Wholesalers, Inc (hereinafter referred to as "CIW "we,"us or "our") and _____ (hereinafter "referred to as "Broker", "you" or "your"), and is comprised of this Broker Agreement (hereinafter "Agreement", all Addenda hereto, and all written modifications to the Agreement made in accordance with the terms and conditions herein. This agreement shall remain in force and effect until terminated as provided for herein.

Whereas Broker desires to obtain insurance coverage for its clients (hereinafter referred to as "Applicants" or "insured's") provided under various insurance e programs ("Programs") available through insurance companies (hereinafter referred to as "Insurers") represented by CIW, and whereas CIW desires to obtain insurance for Applicants that meet the qualifications of the aforementioned Programs, now, therefore, Producer and CIW agree as follows:

1. Upon submission of the appropriate application for insurance and such other information required by CIW or any insurer with whom CIW is considering placing the insurance requested;
 - a. CIW shall, if it considers it appropriate to do so, provide the Broker with a quote for such Insurance.
 - b. If the applicant elects to purchase the insurance offered, CIW will bind coverage as agreed or otherwise procure the insurance if such insurance is still offered on the same terms and conditions by the insurer from whom the quote was obtained.
 - c. CIW may decline, in its sole and unfettered discretion, to submit the application to any insurer if CIW considers it inappropriate to do so.
 - d. Broker shall have no right to a submission to any particular insurer, which shall be selected by CIW.
2. Broker shall act in exclusive capacity of an insurance broker in its business dealings with CIW subject to the terms and conditions of this Agreement.
 - a. Broker shall represent only the applicant for Insurance. **BROKER HAS NO AUTHORITY TO BIND ANY COVERAGE, BIND OR SIGN ANY POLICY OR ENDORSEMENT ON NEW OR RENEWAL BUSINESS, OR IN ANY OTHER BIND CIW OR ANY INSURER FROM WHOM CIW OBTAINS OR REQUESTS INSURANCE FOR BROKER'S CLIENT.** Broker is not an agent or representative of CIW and has no power to bind or speak for CIW or incur any obligation on behalf of CIW. Broker shall not hold himself out to have any such power of Authority. No coverage shall attached or be bound until CIW has provided Broker with written confirmation.
3. Broker has no authority to, and shall not,

- a. Amend premium indications without prior written approval by CIW;
 - b. Amend any coverage or provisions under any policy obtained through CIW.
 - c. Issue Additional insured endorsements on behalf of any insurer that issued a policy through CIW.
 - d. Refer to a certificate holder as, or advise any person or entity that he or it is, an Additional insured unless an Additional Insured endorsement has been issued by CIW and is attached to any such certificate. Broker may issue evidence of insurance once the additional insured certificate has been received from CIW;
 - e. Submit an application for insurance for a customer that Broker does not represent.
 - f. You have no authority to accept service of any lawsuit or legal process on our behalf or on behalf of any of our insurers, nor any authority to authorize any claim settlement or to bind us or our Insurers in any claim matter. You have no authority to, and shall not purport to, bind us or any of our principals/ Insurers on insurance coverage except to the extent such authority is expressly required to imposed by law.
4. In connection with an application for insurance through CIW, Broker:
- a. Represents and warrants that to the best of Broker's knowledge after a diligent investigation, all information contained on an application and all other information submitted to CIW is complete and accurate and that no statement is, in the context of the known facts, misleading or only partially truthful;
 - b. Shall promptly provide to CIW all information and documentation necessary to enable CIW to obtain the requested insurance;
 - c. Shall maintain, and, if requested by CIW, make available or provide to CIW any documentation in Broker's files reflecting the applicant's selection of coverage, limits, deductible, and selection of any other terms or conditions of insurance and any and all statements or documentation indicating insurability, including, but not limited to, accurately completed and signed original applications;
 - d. Make sure that the procedures above are understood and followed by all of the Broker's Employees responsible for representing any applicant or insured in dealing with CIW.
 - e. Make no misrepresentation or omissions of material facts to applicants or insured's concerning their policies or insurance coverage.
5. You are an independent contractor. You are not our agent nor shall you hold yourself out as such, and you shall not conduct or purport to conduct any activities on our behalf other than specifically set forth in this agreement, except as to the extent imposed or required under applicable state laws or regulations. You shall manage your own time and nothing in this Agreement is intended to create the relationship of employer/ employee, partnership or joint venture between you and us, except to the extent, if any imposed by law. Broker shall be fully responsible to CIW for all premiums or insurance whether original, renewal, installment, audit or other, on business placed by Broker through CIW, and CIW shall not be responsible for premiums advanced by Broker.
- a. Broker guarantees payment to CIW of all earned premiums on policies or binders placed through CIW.

- b. No binder, policy, certificate or cover note may be cancelled flat after the inception date of coverage.
 - c. Broker assumes full responsibility for the payment of all premiums on binder, policies, certificates or cover notes issued at the request of the Broker.
 - d. CIW may establish or change at any time procedures for payment premium due on Insurance issued through CIW, Including, without limitation, electronic fund transfers or installment payment or premiums.
 - e. Any separate bill provided by CIW for any insurance shall supersede any itemization provided to the Broker that includes the separately invoiced payment due.
6. Whenever a policy or binder is issued by CIW, premium shall be deemed to be earned, unless it is returned with Evidence satisfactory to CIW that such policy or binder did not result in a valid and effective policy or contract between the applicant and the insurer.
7. If a policy or policy's premium has been financed by and insured, the Broker, on his own behalf and on behalf of the applicant, agrees that the premium financed shall be payable and immediately remitted directly to CIW.
8. With respect to fees or commissions due to CIW:
 - a. All such fees or commissions due are fully earned upon issuance by CIW of a binder or confirmation of coverage;
 - b. Broker shall promptly remit to CIW all fees required for such insurance;
 - c. Broker shall be liable to CIW for the full amount of premium and applicable state taxes, less commission, including additional premiums charged as the result of audits or retrospective penalties on every insurance contract placed through CIW for Broker.
 - d. Broker will collect, account for, and pay premiums due on all insurance ordered from or obtained by Broker through CIW and submit them to CIW (15) days after the end of the month for which the accounting is rendered.
 - e. Broker will pay to CIW all earned premium on each policy placed through CIW even if Broker does collect a premium from the policyholder.
9. This agreement shall continue in force without interruption until terminated by either party.
 - a. CIW may, without prior notice, terminate this Agreement, including the Broker's right to place any new business with CIW.
 - b. CIW may, on ten (10) days written notice to Broker, change the commission rate or Broker then currently in effect.
 - c. Broker may terminate this agreement at any time on ten Days' written notice to CIW, setting forth the effective termination date.
 - d. ANY amounts due and owing to one party by the other party at the time of termination as a result of effective date of termination will paid or settled promptly upon such termination.
 - e. Upon termination, Broker agrees to return promptly to CIW any written materials and supplies furnished by CIW.
10. Broker shall, upon request by CIW, pay or repay to CIW;
 - a. Any taxes payable by CIW as the result of any contracts of insurance placed with an insurer by CIW that are not recoverable.

- b. Any unearned commission and any debit balance, however created, which is owed to CIW.
 - c. Any unearned commission and / or debit balance.
 - d. CIW reserves the right to retain any funds otherwise payable to the Broker at any time at which the Broker is indebted to CIW.
11. Any extension of credit by Broker to his client is solely at Broker's own risk. Broker shall pay to CIW all amounts due to CIW whether or not these funds have been collected from Broker's client or anyone else who owes it.
12. In the event of a claim under a policy obtained through CIW, Broker Will:
- a. Report to CIW any such claim;
 - b. Process the claim on behalf of the insured client;
 - c. Obtain any information from the insured client required by insurer or CIW.
 - d. Act as an intermediary in communication between CIW or the insurer and the insured client with respect to the claim.
13. **Errors and Omissions Coverage.** Broker now has, and shall maintain until the last policy written under this agreement expires, insurance Agents Errors and Omission coverage with a minimum policy limit of one million dollars (\$1,000,000). Broker, upon being requested by CIW, shall have a certificate of insurance evidencing such coverage issued in favor of CIW and providing CIW at least 10 days advance written notice in the event such insurance is cancelled. Broker will also provide CIW with prompt written notice of any change, cancellation or other termination of this policy.
14. **Broker Disclosure Warranty.** Broker hereby represents and warrants that broker shall disclose and obtain the insured's consent to all broker fees, and otherwise comply with all laws and regulations relating to disclosure of broker compensation to insured's and potential insured's in all transactions under this agreement.
15. **Licensing.** Broker warrants and represents that Broker is in compliance with all licensing laws in each jurisdiction Broker transacts business as an agent or broker. Broker will maintain such license or licenses in good standing for the duration of this agreement and will furnish proof of such licensing upon request by CIW. Broker will promptly notify CIW of any suspension, cancellation or disciplinary action in respect of its license. (s).
16. This agreement and Broker's rights hereunder are non-exclusive and do not limit the rights of CIW to enter into any similar agreements with other brokers or agents at any time. This agreement contains no guaranty of dollar volume or geographic exclusive location to Broker.
17. CIW shall indemnify and hold Broker harmless from any and all damages, claims, costs, including reasonable attorney fees, and other liabilities or any nature or kind arising out of or based on, the performance by CIW of its obligations hereunder.
18. The parties may communicate with each other by mail, facsimile, or electronically.
19. Broker acknowledges that CIW has and will have valuable Confidential information (as defined below)
- a. Broker will, as a result of this Agreement, have access to, or might otherwise become acquainted with such confidential information.

- b. Broker shall not, directly or indirectly, give, sell transfer or in any way communicate or divulge to any person or entity, or use for Broker’s own benefit or the benefit of any other person or entity (except CIW) and confidential information without the express prior written consent of CIW.
 - c. The term “ Confidential Information” means any and all information relating to CIW not known by, or available in ordinary circumstances to, the public generally including, without limitation, the following:
 - i. CIW marketing techniques
 - ii. Passwords
 - iii. The terms of CIW business relationships with insurers
 - iv. Any lists of clients, prospective clients, referral sources and sales agents maintained by CIW
 - v. The terms of business relationships between CIW and sales agents;
 - vi. Premium charges and other terms and conditions for insurance coverage
 - vii. CIW underwriting practices; and
 - viii. Financial information concerning CIW.
20. Any breach of the immediately preceding paragraph (paragraph number 20) will cause irreparable harm to which CIW will have no plain m speedy or adequate legal remedy, and CIW shall be entitled to an injunction and temporary restraining order prohibiting such breaches by Broker.
21. You shall not use or name or logo nor those of any Insurers for marketing purposes, in or on any advertisement, publication, circular, website, paper, producer stationary or marketing products, or any other printed, electronic or other visual format without our prior written approval.

Execution and Acceptance of Agreement: Producer acknowledges that a breach of any of the terms, conditions, or provisions of this Agreement by the producer may give rise to a cause of action by CIW against the producer and/or may result in disciplinary action by CIW, including but not limited to, the termination of this Agreement, all in the sole discretion of CIW. Each individual who executes this Agreement in a representative capacity represents and warrants that he or she has the full right and power to execute this Agreement and to bind the entity or individuals on whose behalf he or she so signs. If the Producer is an individual, the individual must sign; if the producer is a partnership, one of the partners must sign; if the producer is a corporation, an authorize officer must sign and indicate the title of such authorized officer. The parties hereto agree this Agreement shall not become effective until accepted by CIW.

Calypso Insurance Wholesalers, Inc.		Producer Information	
Name as it appears on license: Calypso Insurance Agency, Inc.		Agency/Agent Name:	
		Federal Tax ID or SSN:	
Address: 1950 Cordell Ct. Ste 101		Address:	
City, State, Zip: El Cajon, CA 92020		City, State, Zip:	
By: Mark Hunter	Title: President	By:	Title:
Signature:	Date:	Signature:	Date: