

**Please forward signed and completed documents to:**  
**Insurance@SimonAgency.com.**  
(Questions? Call: 516-593-2700)

To Whom It May Concern:

We appreciate your interest in opening an account with us. As you know, Simon has been providing prompt and courteous service to the insurance community for over 65 years. As a premier wholesale insurance agency, it is our job to help hardworking brokers like you write more business, in less time. Whether you're writing commercial policies, personal lines or life insurance, our goal is to make the entire process as simple as possible. This way, you can spend more time making more money or simply enjoying life. We're looking forward to working with you, so let's get started!

Our Errors and Omissions insurance policy carrier requires that we request and maintain certain information from the brokers with which we do business. We ask that you please provide us with the following documents needed for our records and to establish your new account:

1. A current copy of the Declaration Page of your Errors and Omissions Liability Policy coverage with a per claim and aggregate limit each, not less than \$1,000,000. This should be underwritten by an insurer rated not less than B+ by the A.M. Best Company.
2. A current copy of your Broker's License.
3. Please fill out the top of Page 1 including the day, month and year. State full brokerage name and complete the Signature on Page 5 filling in your Fed I.D. or S.S. Number. Sign and date the Broker section and email both pages back. We will return a fully executed Signature Page to you for your records.
4. A completed W9 form with either your tax-payer # or soc. sec. #. A blank W9 is attached for your convenience.

Your prompt attention to this request is appreciated. Thank you for your interest in the Simon Agency.

Please contact us at [Insurance@SimonAgency.com](mailto:Insurance@SimonAgency.com) or call us at 516-593-2700 should you have any questions or concerns.

**14 Front Street, Suite 201, Hempstead, NY 11550 • [SimonAgency.com](http://SimonAgency.com) • 516-593-2700**



## BROKER APPOINTMENT AGREEMENT

This agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ by and between Simon Agency N.Y., DBA Simon Agency Incorporated and its subsidiary offices, herein referred to as WHOLESALER and \_\_\_\_\_ an individual, partnership, corporation, registered firm, producer or agency, herein-after referred to as a BROKER. This agreement replaces all previous agreements or contracts, whether oral or written, and shall continue in full force and effect until amended, suspended, or terminated.

WHEREAS the BROKER desires to place business with the WHOLESALER and WHOLESALER desires to consider such business now, therefore, WHOLESALER and BROKER agree to be bound by the following terms and conditions with respect to such offering:

### I. LEGAL RELATIONSHIP

The BROKER, in placing business under this agreement, recognizes that he is the representative of the insured and not the agent, representative or employee of WHOLESALER and/or any of its subsidiary companies. Nothing in this agreement shall be construed to imply an employer-employee relationship between WHOLESALER and BROKER.

### II. BROKER'S AUTHORITY

Subject to the terms of this agreement, BROKER shall:

Solicit applications of insurance

Bill and collect premiums on all policies, binders, riders and endorsements pursuant to this agreement

Maintain a sufficient staff to perform his duties under this agreement, and hold all monies received pursuant to this agreement in fiduciary capacity.

### III. LICENSING

BROKER warrants that he is properly licensed to transact business as a broker in accordance with the provisions of the BROKER'S commercial domicile or any state in which the BROKER transacts business.

Upon request, the BROKER agrees to provide evidence to WHOLESALER of such license(s).

#### IV. PAYMENT OF PREMIUMS

BROKER should obtain and remit, to WHOLESALER, thirty percent (30%) of each gross premium, plus one hundred percent (100%) of service fees, of any, charged by WHOLESALER as a binder deposit within ten (10) calendar days of the inception date of each binder or policy, new or renewal, ordered bound by BROKER. BROKER shall further remit to WHOLESALER the full balance of the gross premiums, net of allowable commission for each such policy, and the full gross premium for each additional premium endorsement, net of allowable commission, no later than forty five (45) days from the effective date of each item. Failure by BROKER to remit such binder deposit and/or premium balance and/or additional premium within the indicated time frame will result in prompt cancellation of the policy for non-payment in accordance with applicable insurance law.

#### V. GUARANTEE OF PAYMENT

BROKER shall guarantee and be liable for payment to WHOLESALER of any earned premium on all contracts of insurance accepted or written by WHOLESALER pursuant to an order by the BROKER to bind, whether or not any payment or premium has been collected by BROKER. BROKER further agrees to pay or remit payment of any such earned premium. Promptly to WHOLESALER, upon demand, net allowable of commission. Additionally, BROKER shall return to WHOLESALER all retained commission or any unearned premium(s), cancelled contract(s) of insurance, and on reductions in premiums, including without limitation, those ordered or made by WHOLESALER, at the same ratio at which such commissions were originally retained.

#### VI. UNCOLLECTABLE ADJUST OF PREMIUMS

In the event that BROKER shall become unable to collect and pay addition premium due to audit, BROKER may be permitted to request WHOLESALER to undertake direct collection of the premium from policyholders. Provided BROKER shall make such request in writing, within thirty (30) days from the day of mailing said billing statement to BROKER by WHOLESALER. BROKER may be relieved from responsibility from the payment of premium. No commission shall be paid or deemed earned on any such premium so collected by WHOLESALER. Failure to comply with this paragraph shall obligate BROKER for all payment and remittance of additional premium due to WHOLESALER.

#### VII. RESPONSIBILITES OF BROKER

BROKER understand that in providing coverage. WHOLESALER is relying upon the accuracy of information provided by the insured though the BROKER and submitted to WHOLESALER. It is the responsibility of BROKER to disclose to WHOLESALER the existence of any conditions that he is or reasonably should be aware of that may affect the insurability of the insured.

Further, it is the responsibility of BROKER to inform WHOLESALER as to the type and amount of insurance coverage to be considered for quotation. WHOLESALER assumes no responsibility toward BROKER with regard to the adequacy, amount or form of coverage obtained through any insurance carrier.

#### VIII. CLAIMS

BROKER will report all claims and/or losses as expeditiously as possible to WHOLESALER or insurer. BROKER has no authority to assign losses to be adjusted nor may he negotiate or settle any loss.

## COMPENSATION

IX. WHOLESALER shall pay BROKER a percentage of the premium for business produced by BROKER and placed through WHOLESALER.

BROKER shall refund return commissions on policy cancellations or reductions in coverage, in each case at the same rate at which such commissions were originally earned.

## X. CONFIDENTIALITY

In connection with this agreement, BROKER agrees to treat any proprietary information supplied by WHOLESALER as confidential. WHOLESALER agrees to treat any proprietary information supplied by BROKER as confidential. Unless otherwise required by law, either WHOLESALER or BROKER or their respective representatives will, without the other's written consent, disclose any proprietary information or other information about the relationship or program.

## XI. INDEMNIFICATION

BROKER agrees to indemnify and hold harmless WHOLESALER, any affiliated company, their offices, directors, employees and agent from and against any and all claims, damages, liabilities, including reasonable attorney's fees, costs or other expenses incurred by the WHOLESALER arising directly from any acts, omissions or breach of this agreement by the BROKER to the extent that BROKER is legally liable.

## XII. OWNERSHIP/CONTROL OF EXPIRATIONS

The BROKER having accounted for and paid over all premiums for which it may be liable, the BROKER'S records and the use and control of expirations shall remain the property of the BROKER and left to his undisputed possession and control. As such WHOLESALER will not use such information to solicit insurance and shall not disclose information to anyone other than any company, agency, or underwriter represented by WHOLESALER in connection with this agreement.

## XIII. TERMINATION

This agreement may be terminated by either party upon 30 days written notice of termination to the other. Such termination, however, will not affect the rights of the parties including, but not limited to, coverage, obligation to pay premiums, commissions payable and return commissions due on the date of termination.

## XIV. EVIDENCE OF INSURANCE

Broker agrees to maintain an errors and omission liability insurance policy coverage with a per claim limit and an aggregate limit each not less than \$1 Million, underwritten by an insurer rated not less than B+ by the A.M. Best Company. BROKER further agrees to attach this Agreement a certificate of insurance evidencing coverage that is acceptable to WHOLESALER and to maintain such coverage at all times while this agreement is in effect.

Further, Wholesaler also agrees to maintain an errors and omission liability insurance policy coverage with a per claim limit and an aggregate limit each not less than \$1 Million, underwritten by an insurer rated not less than B+ by the A.M. Best Company.

XV. COMPLETE AGREEMENT

This signed agreement incorporates all of the previous and contemporaneous discussions, representations, understandings and agreements between the parties with respect to the subject matter. The terms and conditions expressed in this agreement shall not be, altered except in writing, signed by an authorized officer of BROKER and an officer of WHOLESALER.

XVI. ASSIGNMENT

This agreement is non-assignable and the BROKER may not assign or delegate any of the BROKER'S rights, interests, or obligations under this Agreement without the express written consent of WHOLESALER.

XVII. WAIVER

No waiver or modification of this agreement shall be effective unless it be in writing and signed by a duly authorized officer of WHOLESALER. This failure of WHOLESALER to enforce any provisions of this Agreement shall not constitute a course of conduct or a waiver in the future as that same provision.

XVIII. SEVERABILITY

If any provisions hereof shall be held to be invalid or unenforceable, such legal defect shall not affect any other provisions of this agreement.

XIX. JURISDICTION

This Agreement shall be governed by the State of New York, and any legal proceeding in connection with this agreement shall be brought only in a court of competent jurisdiction in the state of New York.

In witness thereof, the parties have caused this agreement to be signed as of the date first above written:

WHOLESALER

By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

BROKER

By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Federal Employer Identification #: \_\_\_\_ - \_\_\_\_\_ Social Security #: \_\_\_\_ / \_\_\_\_ / \_\_\_\_\_