



**FAIRWAY UNDERWRITERS, Inc. 112 N. Pepperell Rd • Hollis, NH 03049**  
**Tel: 1-800-662-2141 • Fax: 978-454-8740 • www.fairwayunderwriters.com**

## **BROKERAGE AGREEMENT**

**AGREEMENT**, Made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, By and Between Fairway Underwriters, Inc., a New Hampshire Corporation, with its office and principal place of business located at 112 North Pepperell Road, Hollis NH 03049 hereinafter referred to as FAIRWAY and \_\_\_\_\_, a duly licensed \_\_\_\_\_, with an office and principal place of business located at \_\_\_\_\_, hereinafter referred to as the BROKER.

**WHEREAS**, the Broker warrants that the Broker holds a general property and casualty insurance license issued by the state of \_\_\_\_\_ being licensed No. \_\_\_\_\_. The Broker further warrants that in the event said insurance license is terminated or revoked, for any reason, this agreement becomes null and void.

**WHEREAS**, the Broker further certifies that any business which Broker shall submit to Fairway for placement involving persons or property situated in a state other than that of Broker's domicile, will, if accepted, be effected only in accordance with the laws, rules and regulations governing such placement and not otherwise; and

**WHEREAS**, Fairway agrees to allow Broker a commission on such business. It is understood that said commission may change from time to time.

### **NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. The Broker shall be and remain liable to Fairway for the payment of all premium, 35% of which premium shall be due on the date the insurance is effected and the balance payable not later than thirty (30) days after the inception date of coverage.
2. As respects property and casualty coverage, the Broker shall be and remain liable to Fairway for the payment of all premium, which premium shall become due and payable on the date the insurance is effected. All premiums shall be submitted on a net basis, so that Broker may retain their commission.
3. It shall be deemed a novation if for any reason, upon the failure of the Broker to pay the premium as above set forth, Fairway shall seek to collect the same from the assured, it is agreed that under such circumstances, Fairway shall act in all respects as attorney in fact for the Broker, which relationship shall be deemed to be a consideration for entering into this Agreement on the part of Fairway.
4. Broker agrees to ratably refund to Fairway commissions on all business placed with Fairway on cancelled policies, or reduced premiums, at the same rate at which such commissions were originally allowed Broker. Such refund shall be paid to Fairway within 30 days after Broker is advised of the cancellation or reduction adjustment.
5. If the Broker shall extend credit to the assured, it shall be at the Broker's sole risk and premiums shall be paid to Fairway by the Broker when due, whether or not they are collected by the Broker and whether or not the Broker has extended credit to the assured.
6. Anything heretofore or hereafter to the contrary notwithstanding, in the situation where premium for a policy or policies, which have been issued, cannot be fully determined in advance and where an adjustment or determination, after a specific time period, by audit or otherwise, shall have been made, then the amount of such additional premium due shall be paid by the Broker to Fairway within thirty (30) days after such additional amount shall have been determined and billed to the Broker.
7. The parties hereto understand and agree that in no event, nor under any circumstances whatsoever, shall this Agreement ever be interpreted or construed to the effect that the Broker may bind Fairway or any company or underwriter represented by Fairway.
8. The parties agree that in the event of termination of this Agreement, the Broker having accounted for and paid over all premiums for which he is, or may be liable, the Broker's records and use and control of expirations, shall remain the property of the Broker and be left in his undisputed possessions; otherwise, the records, use and control of expirations shall be vested exclusively in Fairway.
9. All insurance issued by Fairway on behalf on the Broker, to assureds, is not subject to flat cancellation except prior to inception. All cancellations, however, at the request of underwriters or insurance companies, will be on a pro rata basis.
10. The broker agrees to assume all responsibility for the collection and filing of any and all excess and surplus lines and taxes, stamping fees, affidavits, and any other documents necessary to comply with insurance statutes as may be required by law.
11. This Agreement shall be interpreted and enforced in accordance with the laws of the State of New Hampshire, the courts of which state shall have exclusive jurisdiction over the parties as respects any dispute arising hereunder.
12. The Agreement may not be changed or modified except in writing and signed by the parties hereto.

13. The parties hereto agree that this Agreement shall not become effective until accepted by Fairway and, when accepted, shall supersede all previous broker agreements, whether oral or written, between the parties; and the parties agree that this Agreement contains all of the contractual arrangements existing between them relative to the brokerage relationship, and all other written or oral arrangements are deemed to be merged herein.

14. It is specifically understood and agreed that notwithstanding anything to the contrary herein set forth, this Agreement shall not be interpreted or construed so as to:

- (a) prevent the Broker from executing other or similar agreements with competitive agents;
- (b) compel Fairway to accept or place all or any of the business offered to it by the Broker.

15. This Agreement may be terminated at any time by either party, upon ten (10) days written notice to the other party, sent by Registered or Certified Mail, return Receipt Requested. Such termination, however, shall in no event affect the respective rights or liabilities of either party accruing up to the date of termination. Irrespective of termination in accordance herewith, any subsequent business placed by the Broker with Fairway shall be deemed to be in accordance with the terms of this Agreement and as though this Agreement were still in full force and effect.

16. The broker warrants and represents to Fairway that the Broker now has in force and effect a valid and binding contract of liability insurance covering the Broker for damages occasioned by errors or omissions alleged to have been caused by the Broker. Said contract is written with \_\_\_\_\_ Insurance Company, which carrier has its home office at \_\_\_\_\_, and said contract or policy was issued on \_\_\_\_\_, and bears No. \_\_\_\_\_, and expires on \_\_\_\_\_.

17. The broker further warrants and represents that the premium for said policy, or one similar thereto, in full force and effect at all times during the continuance of this Agreement, in limits of not less than \$2,000,000/\$3,000,000.

18. Notwithstanding any other provision of this Agreement, the Broker agrees for him or herself, or if a corporation or joint venture or any other entity, by it, that it will hold Fairway, and Fairway's agents, servants, and employees free and harmless, and indemnify them from each and every claim of alleged errors and omissions caused by or related to, the negligent or wrongful acts of the Broker, its agents, servants, principals, and employees, including legal fees, costs, and disbursements that may reasonably be incurred by Fairway in the defense of such claim or claims to the full extent thereof, with interest thereon, until paid.

18a. Further, Fairway agrees that it will hold Broker, and Broker's agents, servants, and employees free and harmless, and indemnify them for from each and every claim of alleged errors and omissions caused by or related to, the negligent or wrongful acts of Fairway, it's agents, servants, principals, and employees, including legal fees, costs and disbursements that may reasonably be incurred by Broker in the defense of such claim or claims to the full extent thereof, with interest thereon, until paid. 18. Notwithstanding any other provision of this Agreement and as a special consideration of the execution of this Agreement by Fairway, the Broker agrees for him or herself, or if a corporation, by it and its principals individually, this it will hold Fairway, and Fairway's agents, servants and employees free and harmless, and indemnify them from each and every claim of alleged errors and omissions caused by, or related to, the act of the Broker, its agents, servants, principals and employees, including legal fees, costs and disbursements that may be reasonably be incurred by Fairway in the defense of such claim or claims to the full extent thereof, with interest thereon, until paid.

19. It is further understood and agreed that the broker assumes the statutory responsibility for all required Excess and Surplus Lines taxes. The broker assumes the responsibility for the collection and remission of all said taxes and all required state documentation necessary to place coverage with an Excess and Surplus lines carrier. The broker's responsibilities include, but are not limited to, securing affidavits and state reporting forms and bordereaux wherever and whenever necessary. Notwithstanding any other provision of this Agreement, the Broker agrees for him or herself, or if a corporation or joint venture or any other entity, by it, that it will hold Fairway, and Fairway's agents, servants, and employees free and harmless, for failing to complete the statutory requirements and will indemnify Fairway from each and every claim of misconduct caused by or related to, the negligent or wrongful acts of the Broker, its agents, servants, principals, and employees, including legal fees, costs, and disbursements that may reasonably be incurred by Fairway in the defense of such claim or claims to the full extent thereof, with interest thereon, until paid.

**IN WITNESS WHEREOF**, the parties hereto have set their hands and seals the day and year first above written.

**BROKER:** \_\_\_\_\_

**BY:** \_\_\_\_\_

Agreement accepted and effective at Hollis, NH this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

**FAIRWAY UNDERWRITERS, INC. BY:** \_\_\_\_\_