



This Broker Agreement is between Rancho Pacific Insurance Services Inc. and

Broker's Name:

Here in after referred to as "Broker" and Rancho Pacific Insurance Services Inc., its successors and/or assigns, hereinafter referred to as Rancho Pacific. Broker desires to secure insurance coverage on behalf of his/her client ("insured") through the facilities provided by Rancho Pacific and Rancho Pacific agrees to make facilities available to Broker for placement of such insurance on the following terms and conditions.

1. Any insurer issuing a policy of insurance through the parties to this agreement is deemed to be third party beneficiary of this agreement and may enforce any of its terms and provisions.
2. Broker shall act in the exclusive capacity of an "Insurance Broker" as defined by the laws of the state where the Broker's license is issued. Broker represents and warrants that in receiving commissions, Broker is not in violation of any law or regulation of the state where the insurance policies issued through Rancho Pacific are in force and effect.
3. Broker agrees and acknowledges that Broker and Rancho Pacific have no authority to bind any coverage on new or renewal business and have no underwriting authority or authority to make any determinations concerning the validity of any claim or coverage for any claim, or to make any changes in the terms and conditions of any applications for any policy of insurance ordered through Rancho Pacific. Any violation of this paragraph shall be considered a breach of the Broker's fiduciary obligations to Rancho Pacific and its insurance companies.
4. Coverage will not be bound on the completed application until a written confirmation is received from the Managing General Agent of Ranch Pacific. Completed application is not a contract of insurance until coverage for the same is confirmed in writing by Rancho Pacific.
5. In the event the Broker does not pay Rancho Pacific the appropriate premium within the time specified, Rancho Pacific is authorized to request cancellation on all policies for which Rancho Pacific has not been paid. Down payments are due within 10 days of binder and total amount due is within 25 days of binder.
6. Broker agrees that no Flat Cancellation shall be allowed. Broker will pay Rancho Pacific any and all open accounts, accounts stated or other indebtedness arising out of or relating to policies of insurance under this agreement. Broker further guarantees to pay earned premiums (including minimum premiums) and all other fees and charges for the time coverage is in force and effect on any and all insurance policies written through the facilities of Rancho Pacific. Broker shall be responsible for arranging for the return to the insured of unearned premium and unearned commissions that belong to the insured.
7. Broker agrees to indemnify, defend and hold harmless Rancho Pacific, any of its employees and agents, along with any of its underwriting companies, claim adjusting companies or insurance companies from or against any and all claims arising out of or relating to any alleged act or alleged failure to act on the part of the Broker which results in any claim, demand, action or cause of action against Rancho Pacific or its underwriting companies, claim adjusting companies or insurance companies whether or not said claim, demand, action or cause of action be meritorious or due to the active or passive negligence of Rancho Pacific. Broker agrees to promptly notify Rancho Pacific of any claim, demand, action or cause of actions which Rancho Pacific or any of its underwriting companies, claim adjusting companies or insurance companies are involved and defend and hold harmless Rancho Pacific or any of its underwriting companies, claim adjusting companies or insurance companies for any and all loss, expense, demand,



action or cause of action, settlement or judgment including expenses of investigators, expert witnesses, court costs, attorney fees or the like arising from or relating to any alleged act or alleged failure to act on the part of the Broker whether or not said claim, demand, action, or cause of action be meritorious or due to the active or passive negligence of Ranch Pacific.

8. Broker agrees that in the event Broker or any of the Broker's agents, subagents of affiliated companies or representatives are named in litigation arising out of or related to the performance on the broker's part of the terms and provisions of this agreement, neither Rancho Pacific nor any of its underwriting companies or insurance companies shall be obligated to defend, indemnify nor hold Broker harmless from any and all such claims.
9. Broker agrees and understands that commissions are negotiated and are paid for and accounted for on an individual policy basis. It is also agreed that commission and fees are separate items and will be so treated. Broker also agrees that no commissions are payable on any fees and warrants that Broker will advise the potential insured of all fees and all premiums as separate items. Broker will inform the insured that all fees are fully earned and are not prorated should there be a cancellation of the policy. Broker further agrees to return any and all return premium and commission within 10 days of notice.
10. Rancho Pacific or the insurance company shall have no responsibility for any expenses incurred by Broker no matter howsoever arising.
11. In the event of any dispute arising between the parties relating to this agreement, it is agreed that the only venue for litigation shall be San Diego County, San Diego, California. It is also agreed that the prevailing party in any such litigation shall be entitled to recover all reasonable legal and other expenses arising out of such action.
12. Broker agrees that broker will provide each insured with an explanation of the terms and provisions of the policy of insurance including, but not limited to, coverage being afforded and also exclusions contained within the policy of insurance.
13. Broker agrees to keep in full force and effect an errors and omissions insurance policy with limits no less than \$1 million during the full term agreement and if requested will send a copy of the policy to Rancho Pacific.
14. The provisions of this agreement are severable, and if any one or more provisions may be determined to be judicially unenforceable, in whole or part, the remaining provisions shall be binding and enforceable.
15. This agreement supersedes and replaces any and all previous agreements and shall be effective as of the date hereafter written and shall remain in force and effect to and until cancellation which may be effectuated by either party giving to the other written notice of cancellation which shall be mailed to the party at the address first hereinabove written or such other address as may from time to time in writing be specified by a party to the agreement for the giving notice. Cancellation of this agreement will become effective after the date of mailing and any such cancellation shall comply with the laws of the state where the Broker's license is issued.
16. Broker agrees to submit to an examination under oath if requested to do so by any insurer issuing a policy through the parties to this agreement.
17. The ownership and control of expirations of policies written pursuant to this agreement belong to the Broker. If the Broker has not properly accounted for and paid all premiums due on such policies, the ownership and control of the Broker's expirations shall be vested in the insurer who issued such policies, if the insurer chooses to exercise such ownership and control.
18. Broker in placing business under this agreement recognizes that Broker is a representative of the insured and is not acting as an Agent, Broker or Representative of Rancho Pacific Insurance Services Inc.



Broker's Name: _____

Address: _____

Phone # _____ Fax # _____

Email _____ tax ID or SS# _____

Broker Signature _____

Print Name _____

Dated this _____ Day of _____, 20_____

RANCHO PACIFIC INSURANCE SERVICES INC.

PO Box 5000 PMB 20

Rancho Santa Fe, CA 92067

Phone 800.962.0054 x101 Fax 858.513.4771

WWW.ranchoacific.com email tracy@ranhopacific.com

Teresa L Prettyman: _____

President

Dated this _____ Day of _____, 20_____

PLEASE ATTACH THE FOLLOWING WITH THIS BROKER AGREEMENT

- E & O Declaration Page or Proof of Coverage
- Department of Insurance Fire & Casualty License