

Brokerage Terms of Use

Your Authority

Applications

You may receive applications for insurance risks you are licensed to solicit and submit them to us for consideration.

Cancellations and Nonrenewals

You may cancel or nonrenew policies we issue through you, as permitted by law, at your underwriting discretion or for non-payment of premium. All policies cancelled or nonrenewed by you are to be reported to us by the tenth (10th) day of the following month.

We may cancel or nonrenew any policy you place with us at any time, as permitted by law, at our underwriting discretion. We will notify you in advance when we cancel or nonrenew a policy.

When you cancel or nonrenew any policy, you must comply with applicable notification and other regulatory requirements. When we cancel or nonrenew any policy, such compliance is our responsibility.

Your Responsibilities

In the conduct of our business, we will deal with each other in good faith, with loyalty and honesty.

You will report all losses and claims promptly, and provide relevant loss and claim information pertaining to coverages placed with us to our nearest loss and claim office, or authorized representative.

Premium Collection and Commissions

You are responsible for collecting all premiums on business billed by you and for holding them in trust and as a fiduciary of our Company.

All Business Billed by you

You are responsible for collecting and accounting for all premiums billed by you. Each month you will receive a statement of receivables. The list will be generated and sent directly to your accounting department for immediate payment. These accounts are to include entries for policies bound with Chubb during the effective month, and will be distributed by the 5th of each month.

The amount due is the total net listed on the Chubb statement of receivables. All amounts are due to Chubb 45 days from the effective month of the transaction, regardless of whether your office has received payment from the customer or when your office received and processed the policy documents. For example, the list for the month of January should reach your office no later than February 5th and payment is due on March 15th.

If payment is not received on the due date, we will consider this to be your advice to us that the required premium remains unpaid by the insured and will initiate cancellation for non-payment by sending a registered letter to the insured.

Notification

You will immediately notify us of the receipt of any notice or communication from or regarding an insured, claimant, Superintendent of Insurance or any other administrative or regulatory agency or department identifying a complaint under any policy, and immediately forward any correspondence or necessary files to us for response by us.

Confidentiality

You understand that all policy wordings, underwriting, rating, claims, actuarial, and financial data and information, manuals and materials provided by us are confidential, proprietary and subject to copyright and agree to take whatever steps are necessary to protect and prevent disclosure of such information to third parties.

Privacy

You are responsible for ensuring that the personal information that you provide to us is collected in compliance with all applicable privacy legislation. More specifically, and without limiting the generality of such compliance, you will ensure that the purpose for the collection, use and disclosure of information is appropriately explained to the customer at the time of collection. You will also ensure that informed customer consent for the disclosure of personal information to Chubb and for Chubb's subsequent collection, use and disclosure of such information for insurance underwriting, servicing, coverage assessment and claims purposes, is obtained. We rely on you to ensure that this is the case.

If you tell us on your customer's behalf that Chubb has consent to collect, use or disclose any personal information, we will rely on that representation.

You are responsible for obtaining a signed application where required by law.

Other Responsibilities

You are responsible for all of your expenses, except when we have authorized otherwise.

You will refund premiums to the client, including unearned commission, whenever a policy is amended or cancelled, even when the client has changed the agent or broker of record. You will calculate the refund commissions at the same rate at which they were calculated originally.

You will obtain our prior written approval of any advertising which includes reference to this Company or any of its policies or services.

Any policy forms or Company supplies we provide for your use are our property and must be returned to us or our authorized representatives promptly upon our request.

Indemnification

We will pay for any civil liability, including legal fees and costs of investigation and defence, resulting from:

- our act or omission, unless caused by you.
- failure to notify the client of cancellation, nonrenewal or other notices affecting coverage on business billed directly by us, when we are responsible for communicating these notices.
- instructions or procedures established by us, except when you are responsible for the error.

You must notify us promptly of any claim or suit against you, and allow us to make any relevant investigation, settlement or defence that we determine necessary.

Computer Access

Electronic Commerce and Access to Systems and Software

You are responsible for protecting the security, integrity and confidentiality of the computer systems, software and electronic files to which we give you access by way of the Internet or otherwise. You will not disclose to any third party proprietary information that we make available to you. Without limiting the generality of the foregoing, you agree that our non-public Internet pages, electronic commerce system architecture, electronic commerce business methods and computer software constitute proprietary information.

You acknowledge that the breach of your obligations not to disclose proprietary information would cause irreparable harm to our competitive position and that money damages would not be sufficient remedy for such breach. Accordingly, you agree that we shall be entitled to specific performance or injunctive or other equitable relief in the event of such breach.

You are bound by the terms of use and sign on agreements on our web sites except that any transaction or sales or marketing activity that comes within the scope of this agreement is subject to its terms, and in the event of any conflict between this agreement and such terms of use or sign on agreements, this agreement supersedes.

You acknowledge and agree that all of the content on our web sites and all software associated with our web sites and our electronic commerce initiatives is owned by us, unless we indicate on the web site that content is provided by you. You will indemnify us from any loss or damage we suffer as a result of the publication or use of your content that is posted on our web sites. This includes costs we incur, legal and otherwise, to defend ourselves from claims brought against us by third parties as a result of such publication or use.

It is your responsibility to ensure that your staff is aware of the sensitive and proprietary nature of the information provided by our systems, of the importance of security and confidentiality, of the importance and effect of the terms of use and sign on agreements on our web sites and of the obligations described in this section of the agreement.

We may revoke your access to our systems, electronic files, web sites or software or remove your content from our web sites at any time with no notice to you. No license to use any trademarks, copyrights or trade secrets is granted by your access to or use of or the posting of your content on our web sites or your use of or access to our software.

Termination

This business relationship, subject to regulatory requirements that apply, may be terminated by either party upon written notice to the other.

After Termination

If, upon termination, you are entitled to the ownership, use and control of expirations and renewals, we will continue policies for as long as required by law or until their normal expiration or anniversary date, whichever occurs first, and subject to these conditions:

We are not obligated to continue in force or renew policies where prohibited by law or regulation.

We reserve all of our rights to cancel or nonrenew policies for non-payment of premiums or for underwriting reasons.

For policies continued in force or renewed after termination, you will continue to be our authorized representative, subject to all the terms of use. However, you may not bind any new risk, renew any policy or increase or extend the term of our liability under any policy.

We will pay commissions for these policies at the rate applicable at the time of termination, or at the general rate that prevails among our brokers at the time or renewal, whichever is less.

Your obligations to protect the security, confidentiality and integrity of our computer systems, software and electronic files and to not disclose our proprietary information, survive the termination of this business relationship.

Compliance with Laws

You agree to comply with all applicable legal and regulatory requirements, including but not being limited to those pertaining to:

- licensing;
- the solicitation, negotiation, rating, quoting, underwriting, binding, selling, delivery, premium collection and cancellation of Insurance Policies and/or Certificates of Insurance;
- disclosure of compensation;
- privacy; and,
- trade or economic sanctions.

Broker as Independent Contractor

Your status will be that of an independent contractor in all relations with us.

Claims

You have no authority to admit liability on our part in any manner.

Representations & Warranties

You represent and warrant the following:

- you hold the requisite certificates of authority and licenses to conduct business in all provinces in which you will be soliciting and receiving applications;
- you have the power and authority to enter into this business relationship;
- you have never been convicted of a felony in any jurisdiction, or investigated, charged or convicted of any violation of insurance laws in any jurisdiction. If such action subsequently occurs, you shall notify and provide copies of such notice or order to us;
- no insurance license has been suspended, restricted, revoked, nonrenewed or terminated by any jurisdiction. If such action subsequently occurs, you shall immediately notify and provide copies of such notice or order to us;
- you are not insolvent or aware of any claim, suit or proceeding which will materially affect your solvency or ability to implement the terms of this relationship.

General Provisions

- You may not assign or transfer any of your rights or obligations, whether in whole or in part, to any other person or entity.
- This relationship shall be binding upon the parties hereto, and their respective heirs, administrators, executors, representatives, successors, assigns and devisees.
- The headings are set forth for identification purposes and for the convenience of the parties only.

If any of the provisions are held to be illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired and shall continue as if such illegal, invalid or unenforceable provision were not contained.

Name:

Signature: _____ Date: _____