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**BROKER AGREEMENT**

**Producer Name:** \_\_\_\_\_  
**License No.:** \_\_\_\_\_

This Broker Agreement (“Agreement”) is entered into and effective: \_\_\_\_\_, 20\_\_ (the “Effective Date”) by and between Lawyers’ Mutual Insurance Company (“Company”) and the undersigned insurance broker (“Producer”) with reference to the following facts:

**RECITALS**

- A. Producer is an insurance broker licensed in California by the California Department of Insurance;
- B. Producer desires to place applications for lawyers’ professional liability insurance with Company on behalf of Producer’s client insureds;
- C. Company desires to consider such applications from Producer according to procedures designated by Company.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, Company and Producer agree as follows:

1. **Applicable Business.** This Agreement shall govern all business that Producer places with Company.
2. **Licensing and Insurance.** Producer warrants (a) that it holds a valid California insurance broker-agent license; and (b) that it has filed with the California Department of Insurance a valid and sufficient bond as required of insurance brokers under California law. Producer shall maintain its license and bond in force continuously during the Term, as defined below, and shall ensure that all of its employees involved in the transaction of insurance are properly licensed, trained and supervised. Producer agrees to maintain errors and omissions coverage with minimum limits of \$1,000,000 continuously during the Term. Within 10 days after the Effective Date, Producer shall provide to Company a copy of the Declaration Page or certificate of insurance representing such coverage. All acts of Producer governed by this Agreement shall be in full compliance with all statutes, regulations, bulletins, rulings, circular letters and other proclamations applicable to the Producer’s business.
3. **Representation.** Producer acknowledges that in the placement of business with the Company under this Agreement, Producer shall act on behalf of its client insureds and not on behalf of the Company, and Producer shall advise each client in writing that Producer is not the agent of Company.
4. **Placement of Business.** Producer will submit to Company requests for coverage and insurance applications pursuant to Company policies, procedures and guidelines communicated to Producer from time to time. Producer warrants that all information submitted to Company shall be accurate and complete to the best of Producer’s knowledge. Producer shall remit all applications, renewals, endorsement requests and all other required documentation promptly in accordance with the time frames specified by Company from time to time.

5. Subproducers and Brokers. Producer shall have no authority to appoint subproducers, or to accept business from another insurance broker, except with the Company's specific written consent.
6. Premiums. Any premiums received by Producer as payment for insurance placed with Company shall be held in a fiduciary capacity on the Company's behalf. Producer shall remit to Company any premiums for policies placed with Company within fifteen business days after receipt. In the event Company sends return premium to Producer, Producer shall forward such return premium to the insured immediately, but no later than 10 business days after receipt.
7. Fees. Company shall have no responsibility for or control over any fees charged by Producer in excess of the premium. Producer represents and warrants that any fees charged to its clients shall be reasonable and charged in conformance with applicable law.
8. Limitations on Authority. Producer shall have no authority:
  - a. to provide insurance premium quotes;
  - b. to issue certificates of coverage;
  - c. to bind, make, alter, vary or discharge any policy contract;
  - d. to extend time for payment of premiums;
  - e. to authorize any claim settlement;
  - f. to waive or extend any policy obligation or condition;
  - g. to incur any liability on behalf of Company;
  - h. to produce, issue or distribute any advertisement, circular, brochure or any other promotional material on behalf of or mentioning the name of the Company without Company's prior written consent; or
  - i. to accept tender of any claim on behalf of the Company.
9. Commissions. As full compensation for business placed with and accepted by the Company, Producer shall be entitled to receive a commission based on paid premiums as stated on the Company's commission schedule then in effect (the "Commission Schedule"). Company may amend the Commission Schedule (increase or decrease) in its sole discretion at any time and such amendment shall apply retroactively to all renewals. Commissions will be paid monthly subject to set-off of Commission Refunds due to Company, pursuant to Section 10 of this Agreement. No commission shall be payable with respect to Producer clients that are existing policyholders of Company at the time Producer initially places such clients with Company.
10. Commission Refunds. Producer shall refund to the Company (a) any commissions on canceled insurance and premium reductions at the same rate at which such commissions were originally paid; and (b) any commissions paid to Producer in excess of the amount indicated on the Commission Schedule (together, "Commission Refunds"). Producer authorizes Company to deduct any Commission Refunds from commission due to Producer pursuant to Section 9 of this Agreement. If refunds due exceed commissions owed, then Producer shall pay the debit balance within 30 days after receipt of a commission statement from the Company.
11. Policyholder Data. Customer information, including names, contact information and expiration dates for applications or policies submitted to or placed with the Company by Producer (the "Policyholder Data"), shall be the property of Producer. Notwithstanding the foregoing, Producer agrees that the Policyholder Data may be utilized and disposed of by the Company in its sole discretion if (a) after termination of this Agreement, Producer fails to pay any amounts owed to the Company when due; or (b) Company reasonably terminates this Agreement for cause under

Section 12(c). Producer shall be entitled, upon request, to an accounting summary regarding commission and commission refunds.

12. Data Protection Laws and Data Security.

- a. Data Protection Laws. This Section only applies to the extent that the parties are subject to the terms of any Data Protection Laws (defined below), and each requirement contained herein only applies to the extent it is required by any applicable Data Protection Law.

1. To the extent that either party is action as a service provider or contractor as defined under the California Consumer Privacy Act (“CCPA”) or is acting in any similar such role under any other applicable data protection laws or regulations (collectively with the CCPA, “Data Protection Laws”), such party may only process personal information to provide the services under the Agreement. Such processing must be for the limited and specified purposes pursuant to the direct business relationship between the parties established in the Agreement. The service provider or contractor is prohibited from collectiong, retaining, using, disclosing, selleing, sharing, or otherwise using the personal information of any consumer under this Agreement except as necessary to perform the business purpose under this Agreement unless otherwise permitted by Data Protection Laws. The service provider or contractor is also prohibited from combining the personal information that received from the other party with personal information that the service provider or contractor receives from, or on behalf of, another person or persons, or collects from the service provider’s or contractor’s own interaction with the consumer, provided that the service provider or contractor may combine personal information to perform any business purpose permitted under Data Protection Laws. The service provider or contractor must not engage in any activity that would give the other party actual knowledge, or reason to believe, that the service provider or contractor intends to commit any violation of Data Protection Laws or that the service provider or contractor intends to use personal information received as a service provider or contractor in violation of Data Protection Laws.

2. A service provider or contractor is required to comply with any applicable obligations under Data Protection Laws and are obligated to provide the same level of privacy protection to such personal information as is required of the other party under such for Data Protection Laws. The service provider or contractor is also required to implement appropriate technical an dorganizational measures to assist the other party in complying with the requirements of Data Protection Laws, including, but not limited to, providing assistance when responding to any verifiable consumer request relating to such processing, such as by providing the other party with the consumer’s personal information in the service provider’s or contractor’s possession obtained as a result of providing the services under the Agreement, and by correction inaccurate information or by enabling the other party to do the same. The service provider or contractor will also comply with any direction by the other party to delete, or enable the other party to delete, personal information in response to any verifiable consumer request, and the service provider or contractor will notify any of its own service providers or contractors that have been engaged to process personal information to delete the personal information. The service provider or contractor will further, in response to instructions from the other party, assist the other party to limit the sue and disclosure of a consumer’s sensitive personal information at the consumer’s direction to those usesand disclosures which are necessary to perform the services or provide the goods reasonably expected by an average consumer who requests those goods or services, and the service provider or contractor may not use or disclose the sensitive personal information after receiving such instructions from the other party for any other purpose. If a request is submitted by a consumer directly to the service provider or contractor in its role as a service provider or contractor to the other party, the service provider or contractor will notify the other party immediately and comply with any instructions with regards to any response to the consumer request. The service provider or contractor must also grant the other party the right to take reasonable and appropriate steps to help ensure that personal information is used in a manner consistent with any applicable obligations under Data Protection Laws, which may include ongoing manual reviews and automated scans and regular assessments, audtis or other technical and operationa testing at least once every 12 months, and in the event that any issues are discovered, the other party must have the right to take reasonable and appropriate steps to

stop and remediate any unauthorized use of personal information. The service provider or contractor is required to notify the other party if the service provider or contractor makes a determination that it can no longer meet its obligations under Data Protection Laws, and the service provider or contractor will fully cooperate with the other party to respond to any investigation of possible violations of any Data Protection Laws and to undertake any efforts to cure the alleged violations. The service provider or contractor agrees to indemnify the other party for any administrative fine or other liability arising from its violations of Data Protection Laws or those of any service provider or contractor engaged to provide the services under the Agreement. If a service provider or contractor engages any other person to assist the service provider or contractor in processing personal information for a business purpose under the Agreement, or if any such person engages another person to assist in processing personal information for that business purpose, the service provider or contractor shall notify the other party of that engagement, and the engagement shall be pursuant to a written contract binding the other person to observe all the requirements set forth in this Agreement. For any employee, owner, director, officer, contractor, or other natural person whose information will be provided to us solely within the context of that person's role in the direct business relationship between the parties, the service provider or contractor is required to disclose to such persons any information about the other party's privacy practices that may be required prior to providing such persons' personal information.

- b. **Data Security.** The Parties agree to implement and maintain reasonable security procedures and practices, including technical and organizational measures in accordance with applicable law, which may also include procurement of cyber liability insurance.

### 13. Term and Termination

- a. **Term.** This Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated pursuant to this section.
- b. **Termination Without Cause.** Either party may terminate this Agreement without cause immediately upon written notice to the other party.
- c. **Termination For Cause.** Either party may terminate this Agreement immediately for cause upon written notification to the other party of such termination. Such written notice shall state the "cause" with specificity. As used in this Section 12 the term "cause" shall include, without limitation, any one or more of the following events:
  - 1. A party's indictment for or conviction of any felony, fraud or any crime involving dishonesty
  - 2. Any civil judgement against a party for fraud, conversion or any other act of dishonesty;
  - 3. Producer's knowingly submitting to the Company any false or incomplete information;
  - 4. Failure by Producer to maintain the broker's bond or errors and omission insurance as required by Section 2 of this Agreement;
  - 5. The intentional misappropriation by a party of funds or property of the other party or funds received for it or policyholders by such other party, including but not limited to the intentional failure by Producer to remit to Company or any policyholder funds due promptly after written demand by Company;
  - 6. The filing by or on behalf of a party of any voluntary or involuntary petition seeking the conservation, rehabilitation or protection from creditors of that party under applicable insurer insolvency or bankruptcy statutes, rules or regulations; or

7. The cancellation, suspension or refusal to renew by the issuing insurance regulatory authority of any license, certificate, or other regulatory approval required in order for a party to perform its duties under this Agreement, unless such deficiency is cured within 30 days.
- d. Effect of Termination. Upon termination of this Agreement, Company shall have no obligation to consider new insurance applications from Producer, and Company may cancel or non-renew existing policies in accordance with applicable law. No commission shall be paid to Producer for new business effective after the termination date, but commission shall be paid on contiguous renewals provided that (a) after termination of this Agreement, Producer has not failed to pay any amounts owed to the Company when due; or (b) the Company has not reasonably terminated this Agreement for cause under Section 12(c). Termination hereunder shall not limit any other rights or remedies of the parties under this Agreement.
14. Indemnification. Producer shall indemnify, defend and hold harmless Company and its subsidiaries, as well as their current, former or future directors, officers, agents, employees and members against any and all claims, suits, hearings, actions, damages, liabilities, fines, penalties, costs, losses or expenses, including reasonable attorney's fees, caused by or resulting from any breach of this Agreement, misconduct, error or omission by Producer or by Producer's officers, partners, directors, shareholders, employees, agents, or representatives, except to the extent such act or omission is primarily attributable to Company. The Indemnify Party's obligations under this Section shall not apply to the extent that the Indemnified Party's gross negligence or other wrongful conduct cause such third-party claim. This indemnification provision shall survive the termination of this Agreement.
15. Cooperation. Upon request by the Company or authorized claims representative, Producer shall cooperate fully to facilitate the investigation or adjustment of any claim under an insurance policy placed with Company by Producer.
16. Mediation. Company and Producer hereby agree that any and all disputes between them shall be submitted to mediation prior to filing a lawsuit. If the Company and Producer cannot mutually agree on a mediator, JAMS (or if JAMS cannot or will not serve, some other reputable mediation firm) shall provide a list of five (5) potential mediators. Company and Producer shall take turns striking one name on the list until only a single name remains, and that person shall be the mediator. Such mediation shall be in good faith, and each party shall cooperate to resolve their outstanding differences. The parties shall bear their own attorney's fees, but the parties shall share the cost of the mediation equally. The mediation shall be held in Burbank, California.
17. Independent Contractors. Nothing in this Agreement shall be construed to create the relationship of agency, joint venture, partnership or employment between Company and Producer. Each party is an independent contractor and shall be free, subject to the terms and conditions of this Agreement, to exercise judgment and discretion with regard to the conduct of its business and to enter into agreements with other insurance companies. Company shall have no authority to control Producer's methods of conducting business, except as otherwise expressly stated herein. Producer shall be free to exercise its own judgement as to the solicitation of business,
18. including but not limited to the persons solicited and the time, manner and place of solicitation.
19. Expenses. The Company shall not be responsible for any expenses of Producer, including but not limited to marketing expenses.
20. Company Property. Any supplies furnished to Producer by Company shall remain the property of Company and shall be returned to Company promptly upon demand.
21. Waiver. All waivers must be in writing. A waiver of any term or condition in one instance shall not be a waiver of such term or condition in the future.

22. Confidentiality. All non-public, confidential or proprietary information including, but not limited to, trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customers, pricing, and marketing (collectively, "Confidential Information"), disclosed on or after the Effective Date by either Party or any of its affiliates, (the "Disclosing Party") or any of the Disclosing Party's employees, officers, directors, partners, shareholders, members, managers, agents, attorneys, accountants, wholesalers, advisors, vendors, insurers, insurance intermediaries or other representatives (collectively, "Representatives") to the other Party or any of its affiliates, (the "Receiving Party"), or to any of the Receiving Party's Representatives, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential", in connection with this Agreement is confidential, and shall not be disclosed, used, or copied by the Receiving Party without the prior written consent of the Disclosing Party. The Receiving Party agrees to use the Confidential Information only in the context of this Agreement. The Disclosing Party shall be entitled to seek specific performance and injunctive relief and other equitable relief as a remedy for any violation of this Section.
- a. Exclusions from Confidential Information. Confidential Information does not include information that is (i) in the public domain other than as a result of, directly or indirectly, any violation of this Agreement by the Receiving Party; (ii) known to the Receiving Party at the time of disclosure as established by documentary evidence; (iii) rightfully obtained by the Receiving Party on a non-confidential basis from a third party; provided that the Receiving Party reasonably believes such third party was not prohibited from providing access to such Confidential Information by a legal, fiduciary or contractual obligation; or (iv) independently developed by the Receiving Party or any of its Representatives, as established by documentary evidence, without reference to or use of any of the Disclosing Party's Confidential Information.
  - b. Return or Destruction of Confidential Information. At any time during or after the term of this Agreement, at the Disclosing Party's written request, the Receiving Party shall promptly return to the Disclosing Party all copies, whether in written, electronic or other form or media, of the Disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the Disclosing party that such Confidential Information as been destroyed; provided, however, that the Receiving party may retain copies of Confidential Information (i) in order to comply with applicable law or regulation, (ii) to comply with the Receiving Party's records management or similar policy, or (iii) that are stored on the Receiving Party's IT backup an disaster recovery systems until the ordinary course of deletion thereof. The Receiving Party and its Representatives shall continue to be bound by the terms and conditions of this Agreement with respect to such retained Confidential Information. This Section shall survive any expiration or termination of this Agreement.
  - c. Required Disclosure. Any disclosure by the Receiving Party or any of its Representatives of any of the Disclosing Party's Confidential Information required by applicable law, regulation, or legal regulatory, or judicial process (a "Legal Order") shall be subject to the terms of this Section. Before making any such disclosure, the Receiving Party shall provide the Disclosing Party with written notice of such requirement to the extent not prohibited by law or regulation so that the Disclosing Party may seek, at its sole cost and expense, a protective order or other remedy; provided, however, that no such notice shall be required if the Receiving Party is requested or required to disclose Confidential Information in the course of routine supervisory examinations or regulatory oversight by regulatory authorities with jurisdiction over the Receiving Party. If, after providing such notice and protective order or other remedy, the Receiving Party remains subject to the Legal Order to disclose any Confidential Information, the Receiving Party shall disclose no more than that portion of the Confidential Information which, on the advice of the Receiving Party's legal counsel, such Legal Order specifically requires the Receiving Party to disclose, as per the applicable court or agency orders.

23. Entire Agreement; Amendments; Assignment. This Agreement represents the entire agreement between the parties and supersedes all previous contracts or agreements whether oral or written between Company and Producer. Any change or amendment to this Agreement shall be in writing and executed by an officer of the Company. Producer shall not assign this Agreement in whole or in part.
24. Notices. Any notice shall be in writing and may be given (a) by personal delivery, (b) by facsimile, overnight courier or registered mail with confirmation of receipt, or (c) by ordinary mail upon receipt to the names and addresses indicated below or to the names and addresses as one party may advise the other:

Company:

Lawyers' Mutual Insurance Company  
3110 West Empire Avenue  
Burbank, CA 91504  
Attn: Brian Rawers, General Counsel & Secretary

Producer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

25. Governing Law. This Agreement shall be governed by and construed under California law.

**Lawyers' Mutual Insurance Company**

By: \_\_\_\_\_  
Brian A. Rawers, General Counsel & Secretary

Date: \_\_\_\_\_

**Producer**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FEIN: \_\_\_\_\_

SSN: \_\_\_\_\_