



## Russ Insurance Agency Broker Program

### Steps to become a Referral Broker Partner “Broker”:

- ☐ Determine which compensation contract is appropriate below.
- ☐ License number
- ☐ Bond if P&C business is being referred
- ☐ W-9 for tax purposes
- ☐ Bank account information for direct deposit

Commission	Minimum Bound Policies per Month	Quota Fee If Minimum Is Not Met
30%	0	\$0
40%	1	\$100
50%	2	\$200

### Producer Track Options

#### Details:

1. The compensation schedule above is the agreed-upon commission split and associated agency fee for the duration of this agreement.
2. Commissions are to be paid on the 20th of the month via direct deposit. Commissions will be paid based upon the previous month to give the accounting department ample time to reconcile trust accounts, carrier statements and operating accounts. Broker understands that each carrier pays out compensation at different times therefore commission will be deposited in the following month's commission cycle. For example, a commission received in April by the carrier will be paid out in the May 20th commission cycle.
3. Agency fees are assessed on the first of each month. If the minimum production requirement is satisfied, the monthly agency fee shall be waived. Otherwise, agency fees are associated with the selected commission level.
4. Either party may dissolve this agreement at any time with written notice, the process of which is outlined below:
  - a. If Broker wishes to terminate their contract with Russ Insurance, Broker must realize this triggers many things that include: possible chargebacks, clients that need to be serviced, outstanding liability exposure, and other possible repercussions. Thus, Broker will need to choose from one of the exit strategy



---

## Russ Insurance Agency Broker Program

options below, in conjunction with giving notice to Russ :

- i. Option #1 – Broker may conclude that this profession is simply not a fit, and surrender all clients and all future commissions to Russ Insurance, which will ensure clients are properly serviced. This would also include referral Broker not maintaining proper licensing.
  - ii. Option #2 - Russ will service Broker's existing clientele and pay the Broker's full contracted commissions rate until existing policies expire. Broker agrees to **only** rewrite Russ policies with another agency at the policy renewal date. It is understood by both parties that this is the cleanest way to avoid chargebacks and other accounting difficulties. Policies that are not rewritten upon policy expiration will become property of Russ Insurance. Broker agrees to be financially responsible for any chargebacks incurred by Russ Insurance during this time and agrees to let Russ charge the credit card on file for any outstanding balance plus 3.5% to cover the credit card transaction fees.
  - iii. Option #3 - Broker will secure Broker of Record (B.O.R.) forms for all existing business and will move said business to another agency ALL AT ONE TIME. There is a one-time \$2,000 fee to elect this option. Any business that cannot be moved via B.O.R. will remain property of Russ Insurance. Broker agrees to be financially responsible for any chargebacks incurred by Russ Insurance and agrees to let Russ charge the credit card on file for any outstanding balance plus 3.5% to cover the credit card transaction fees.
- b. If Russ wishes to terminate this agreement Russ is to pay the Broker's current full contracted rate until existing policies expire. Forward a list of all clients and carriers associated with referring brokers book of business. It is Broker's responsibility to rewrite those policies elsewhere upon expiration of the policy; otherwise Russ will retain ownership. Russ will not assist in the appointment process with other carriers in this scenario.
5. Broker and Russ agree that, in the case of litigation, the losing party shall pay all attorneys, legal, court, and other miscellaneous and associated fees.



---

## Russ Insurance Agency Broker Program

I am choosing the following contract level: (Choose 1)

- ☐ 30% with no monthly quota
- ☐ 40% with a minimum of one policy per month and agree to pay the \$100 per month if the quota is not met.
- ☐ 50% with a minimum of one policy per month and agree to pay the \$100 per month if the quota is not met.

I also authorize the credit card below for any chargebacks/return commissions incurred by a carrier..

Card #: \_\_\_\_\_

Expiration date: \_\_\_\_/\_\_\_\_ CSV: \_\_\_\_\_

Billing Address: \_\_\_\_\_ City: \_\_\_\_\_

State \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ CA Insurance License Number: \_\_\_\_\_

\_\_\_\_\_  
**New Russ Broker**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Russ Representative**

\_\_\_\_\_  
**Date**