



# SURETY ONE

SURETY BONDS · FIDELITY BONDS & FINANCIAL GUARANTEE

A MEMBER OF THE POINDEXTER GROUP OF COMPANIES

404 AVENIDA DE LA CONSTITUCIÓN, #708  
SAN JUAN, PR. 00901

5 W. HARGETT STREET, 4TH FLOOR  
RALEIGH, NC 27601

TELEPHONE  
(787) 333-0222  
(800) 373-2804

FACSIMILE  
(919) 834-7039

WEBSITE  
WWW.SURETYONE.COM

## BROKER COMMISSION AGREEMENT AND COMPENSATIONS DISCLOSURE

Carriers sell insurance through insurance agents and brokers, commonly referred to as "Producers." The compensation paid to producers is designed to encourage them to sell products, place profitable business with the carriers, and provide services to policyholders. A producer may receive one or more of the following.

**Base Commission.** Producers (we) receive a Base Commission for the sale of insurance. Base Commission is a fixed percentage of the premium or a fixed amount per policy set prior to the sale of the policy to which it applies. The percentage or amount may vary depending on certain factors, such as the type of product, the risk classification, whether the policy is new or a renewal, and the services provided to the policyholder. In some cases, the percentage or amount may be negotiated on a transaction by transaction basis.

**Supplemental Commission.** Like Base Commission, Supplemental Commission is a fixed percent of premium or a fixed amount per policy, which is set prior to the sale of the policy to which it applies. Supplemental Commissions are paid on business is based upon a Producer's ability to meet certain past production, growth, profitability or other historical performance objectives established by the carriers.

**Contingent Commission.** Contingent Commission is generally a particular percent of the premium written during a preceding performance period or a particular sum that is based upon a Producer's ability to meet certain production, growth, profitability or other performance objectives established by us for that preceding period. As such, eligibility for, and the amount of Contingent Commission cannot be determined until after the sale of bonds that occur over a given period of time. By executing this document you specifically acknowledge your understanding that we may enter into such contingency arrangements.

**Producer/Broker Fees & Contingencies.** Producers may charge fees on their own account related to services they provide to their customers. Any such fee(s) that we charge are NOT be part of the premium charged by the carrier, are not charged on the carrier's behalf, and are in addition to receiving compensation from a carrier. This can include a contingency, consulting expense(s) and/or work and is not considered a "reimbursement fee" state code(s). By executing this disclosure the applicant is noticing clear understanding of the preceding, specifically consents to the same and waives all requests for additional itemization.

**Consent to Rate.** Certain applicants may or may not qualify for standard (filed) rates or we may choose to place certain applicants on non-standard programs. By executing this disclosure the applicant is noticing understanding of the deviation from standard or filed rates and specifically consents to the same. We may charge broker fees in addition to premium based on the perceived value of our work on your behalf. The bond/policy for which this Agreement is issued carries a fee of .

I have read and understand that ALL premiums, fees and consulting compensation have been combined into my quote, that all premiums, fees, taxes, etc., are FULLY earned upon execution of bond(s) and/or policy(ies) and I do consent to the combined cost as quoted.

This \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Agency/Producer

\_\_\_\_\_  
Applicant's (Bond Principal's) Signature

\_\_\_\_\_  
Applicant Name/Bond Principal