



**BROKER AGREEMENT**

This Broker Agreement ("Agreement") by and between Delta Dental of Illinois ("Delta Dental"), an Illinois not-for-profit dental service plan corporation and \_\_\_\_\_ ("Broker"), an Illinois licensed producer/registered firm, is effective as of \_\_\_\_\_ ("Effective Date").

In signing this Agreement, Broker acknowledges that he/she has read and fully understands the terms and conditions of this Agreement. If Broker has another applicable agreement with Delta Dental, the terms of this Agreement will supersede the applicable terms in any prior or existing agreement in connection with new and renewal business produced by Broker as of the Effective Date.

Broker's Name: \_\_\_\_\_  
[Print Name of Producer/Registered Firm to whom commission payments are to be made]

SSN: \_\_\_\_\_ Tax ID: \_\_\_\_\_  
[If payments are to the Producer] [If payments are to the Registered Firm]

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Zip: \_\_\_\_\_

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

Signature: \_\_\_\_\_

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

**Delta Dental of Illinois**

By: Bernard Glossy

Signature: 

Title: President and CEO

If Broker is interested in payment of commission via ACH, please also complete the ACH information. Delta Dental will send the Broker statement to the e-mail address above.

**ACH Information**

Bank Name: \_\_\_\_\_

Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Account Name: \_\_\_\_\_

Broker Number (located on statement): \_\_\_\_\_

**BROKER AGREEMENT  
With  
DELTA DENTAL OF ILLINOIS**

WHEREAS, Delta Dental of Illinois is an Illinois not-for-profit dental service plan corporation that offers group dental benefit programs and, thru its affiliated companies, offers other ancillary benefits to eligible groups domiciled or with a bone fide situs in Illinois (referred to as "group subscribers");

WHEREAS, Broker desires to sell the group dental benefit programs and ancillary programs offered respectively by Delta Dental and its affiliated companies (referred to collectively as "Company") on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

**1. Duties and Authority of Broker**

1.1 License: Broker certifies that he/she/it is duly licensed in the state of Illinois and that such license is current and in good standing. Broker agrees to keep in full force as long as this Agreement is in effect any and all licenses required by the State of Illinois in connection with the performance of duties under this Agreement. Broker further agrees to notify Delta Dental of Illinois in writing of the expiration, suspension or revocation or other action by a Department of Insurance or any other governmental agency affecting said license.

1.2 Authority: Broker agrees, subject to the terms and conditions of this Agreement including any supplements or amendments, to place, renew and service ancillary insurance programs offered by Company. Broker is retained by Company only for the purposes and to the extent set forth in this Agreement and shall not represent itself as having any powers except those specified in this Agreement. Broker may employ licensed producers to assist it in representing Company and shall be fully liable for any act or omission committed by said producers in representing Company. Broker shall be an independent contractor of Company, and nothing herein shall be construed as creating a relationship of employer-employee, partner, joint venturer, officer or agent of Company in any manner or for any other purpose, other than as specifically provided in this Agreement

1.3 Marketing: Broker agrees not to publish, use or distribute any marketing, promotional, descriptive or other materials referring to Company products unless those materials were either prepared by Company or have been approved in writing by Company. Further, Broker is not authorized to use the name, service marks or logos of Company without first obtaining Company's written approval, and then only as specifically authorized in writing by Company. The restrictions on the materials included in this paragraph include, but are not limited to,

internet communications or any other electronic transmissions representing Company products, brochures, directories and advertisements.

1.4 Proposals: Broker agrees to represent the provisions and benefits of Company products adequately and fairly to prospects at the time of solicitation in accordance with Illinois law and regulations. Broker also agrees to make no representations with respect to the benefits of any program offered by Company not in conformity with the material provided to Broker by Company. Further, Broker agrees not to quote premiums or rates other than those published or provided by Company or modify any rate or requirement without the written approval of Company.

1.5 Applications: Broker agrees to assist Company with the completion, review and submission of applications from group subscribers as well as other required data to implement the programs. Broker shall use best efforts to ensure that each application for coverage is fully and truthfully completed by the applicant and the completed application and any other required data fully and accurately reflects and discloses the specifications requested by the group subscriber.

1.6 Implementation: Broker agrees to assist Company in the implementation of the product(s) or services selected by group subscriber except that Broker is not authorized to receive any Company funds or to bill group subscriber directly for premiums owed under the group benefits contracts.

1.7 Expenses: Broker shall be responsible for the payment of all expenses incurred pursuant to the exercise of any duties set forth in this Agreement.

1.8 Records: Broker shall keep full and accurate records for all business transacted by or through it under this Agreement. Company shall have the right to examine such records and files upon reasonable request and to make such copies as Company may

deem necessary. This provision shall survive the termination of this Agreement.

1.9 Indemnification: Broker shall indemnify and hold Company, its directors, officers and employees harmless from and against any claim, settlement, judgement, loss, damage or expense including reasonable attorney's fees incurred by Company, its directors, officers and employees in defending, compromising or satisfying any claim or action brought against Company caused by or arising from any wrongful act, error or omission by Broker or from the failure of Broker to comply with any federal or state laws, rules or regulations.

1.10 Confidentiality: Broker shall not disclose or permit to be disclosed any information which Company considers to be confidential and/or proprietary and which it has obtained by reason of its association with Company. This provision shall survive the termination of this Agreement.

1.11 Cooperation: Broker shall cooperate fully with Company in any investigation or proceeding of any regulatory or governmental body, or court of competent jurisdiction, including, where required by law, making its books and records available to such entities for inspection, if it is determined by Company that the investigation or proceeding affects matters covered by, related to, or arising out of this Agreement.

## 2. Compensation

2.1 Commissions: Company shall pay Broker the designated commission as set forth in the proposal(s) accepted by group subscriber(s). This commission shall be paid so long as (i) this Agreement and the group contract for which a commission is to be paid are in effect, (ii) all required premiums have been received by Company, and (iii) Broker is in compliance with all the terms of this Agreement. Commissions will only be paid on such business for which Broker has been designated "Broker of Record" in writing by the group subscriber.

2.2 Disclosure of Compensation: The Broker is responsible for disclosing in writing to each group subscriber any compensation it receives from Company as may be required by law or appropriate under the circumstances. Said compensation includes all payments, commission, overrides or bonuses from Company to Broker relating to the placement, renewal or servicing of business. Broker acknowledges that Company shall disclose said information if requested by any regulatory body or group subscriber.

2.3 Broker of Record Changes: Any change in "Broker of Record" designation must be in writing on the group subscriber's letterhead and signed by an authorized representative of group subscriber. That letter must be dated and must clearly designate by name the Broker to receive commissions as well as specifically rescind by name the previous Broker designation. The change will take effect on the first of the month following Company's receipt of the group subscriber's letter, unless specified otherwise by the group subscriber. If Company receives a "Broker of Record" notification from group subscriber during a contract term and there is no Broker commission in place, commissions will not be paid to the Broker of Record until the group's next renewal date.

2.4 Payment: Company will issue payment to Broker of the compensation due within thirty (30) days following the end of each calendar month based on premiums actually received and reconciled by Company. If a return premium charge is due on Broker generated business, Company will charge back to Broker the amount of commission previously paid to Broker on the amount of returned premium charge.

2.5 Indebtedness: Company shall have a first lien on all commissions payable hereunder for any debt due from Broker to Company. Company may at any time deduct or set off from any other source any such debt due at any time from Broker or to recover commission payments made in error. This provision shall survive the termination of this Agreement.

## 3. Term and Termination

3.1 Term: This Agreement shall be effective for an initial term of one (1) year from the Effective Date, and thereafter shall automatically renew for additional terms of one (1) year each, unless and until terminated in accordance with the provisions of this Agreement.

3.2 Termination Without Cause: This Agreement may be terminated without cause at any time by Broker or Company by giving thirty (30) days prior written notice thereof to the other party.

3.3 Termination For Cause: Company may immediately terminate this Agreement at any time upon written notice to Broker of a material default or substantive breach by Broker of one or more of the obligations under this Agreement (including any amendments), or Broker's commission of fraud, dishonesty, breach of trust, theft, misappropriation of money, or breach of any fiduciary duty. Broker's failure to comply with any provision of this Agreement shall, unless otherwise specifically

provided, be material if Company determines that such failure affects Broker's ability to perform under this Agreement. Termination for cause shall not be Company's exclusive remedy, but shall be cumulative with all other remedies available at law or in equity.

3.4 Automatic Termination: This Agreement will automatically terminate (i) upon the death of Broker, if Broker is an individual, or (ii) upon the dissolution of the corporation or partnership, if Broker is a corporation or partnership.

#### 4. General Terms

4.1 Compliance With Laws: Company and Broker shall comply with all laws and regulations applicable to their businesses, their licenses and the transactions into which they enter.

4.2 Assignment: Neither the duties under this Agreement nor the right to receive money hereunder may be assigned without the prior written consent of Company. Any assignment made contrary to this provision shall be void as to Company; provided, however, Company may assign, delegate or transfer this Agreement in whole or in part to any affiliate, now or in the future, or to any entity which succeeds to the applicable portion of its business through a sale, merger or other transaction, provided that such other entity assumes the obligations of Company. Broker shall not in any way sell, assign or pledge any interest, entitlement, payment or duty arising under this Agreement without the prior written consent of Company.

4.3 Entire Agreement: This Agreement (including any proposal accepted by group subscriber for which Broker is the Broker of Record) is the complete and sole contract between the parties regarding the placement of Company business and the renewal of Company business by Broker subsequent to the Effective Date of this Agreement.

4.4 Amendment: Company may at any time amend the terms of this Agreement by written notice to Broker.

4.5 Waiver: Failure by Company to insist on strict compliance with any of the terms or conditions of this Agreement at any time or under any set of circumstances shall not operate to waive or modify such term or condition or render it unenforceable as to any other time or as to any other circumstance. No waiver shall be valid unless contained in writing specifically expressing such waiver and signed by a person duly authorized by Company to sign such waiver.

4.6 Notice: Any notice required from either party under this Agreement shall be deemed given on the day such notice is deposited in the United States mail with postage pre-paid and addressed to the other party at the address specified herein or as amended from time to time.

4.7 Third Party Beneficiaries: This Agreement is not intended to create any third party beneficiaries or to confer any rights on any person other than Company and Broker.