

STATE OF CALIFORNIA

## STANDARD BROKER DISCLOSURE

This disclosure was prepared by the California Insurance Commissioner. **Please READ IT CAREFULLY!**

Do not sign any broker fee agreement unless all of its blank lines and spaces have been filled-in and you have read this entire document and the agreement carefully.

Your insurance broker represents you, the consumer, and is entitled to charge a broker fee if he/she chooses. This fee is not set by law, and may be negotiable between you and the broker.

It is illegal or improper for an insurance broker to charge you a fee for placing coverage solely with the California Automobile Assigned Risk Plan or the California FAIR Plan. Fees may be charged for placement of other coverages.

Broker fees are often non-refundable even if you cancel your coverage. Refer to your broker fee agreement to see if your broker fee is non-refundable. However, you may be entitled to a full refund of a broker fee if your broker acted incompetently or dishonestly. Unresolved disputes over non-refunded broker fees can be forwarded to the Department of Insurance for review.

You are entitled to obtain and keep a completed copy of this disclosure and any broker fee agreement you sign.

Your broker may receive commission from insurance company(ies) for placing your insurance. This commission may be paid to your broker by the insurance company(ies) in addition to any broker fee you pay.

If you will be paying your premium in installments to a finance company, by law you must receive a copy of a premium finance disclosure and agreement. Be sure to obtain and read those documents before signing a premium finance agreement. Also, ask the broker if the insurer offers its own installment payment plan. Insurer installment plans are often cheaper than premium financing through a separate premium finance company.

If your broker is placing automobile coverage, your broker must provide you with a copy of the current Department of Insurance Automobile Insurance pamphlet. If your broker is placing residential coverage, your broker must provide you with a copy of the current Department of Insurance Residential Insurance pamphlet. By signing this disclosure, you acknowledge receipt of the appropriate pamphlet(s).

*Client signature on Quotation or Binder of Insurance constitutes acknowledgement of these disclosures.*



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