

A Suggested Process for Agents in Reviewing Their Agency Agreements

1. Make reviewing your new agency agreement(s) or addendums a routine process – written, filed together with each agreement, keep all letters from & to carrier on agreement to include all changes & develop a summary.
2. Before reading the agreement, decide whether or not you are interested in a business relationship with the company and note what are the important aspects you desire to accomplish with that carrier.
3. If the business relationship is important to or holds real promise for you – then read through the agreement using the issues raised by this lecture as a guide (i.e. ambiguity, book of business language, conflict, against public policy, etc.)
4. While reading, note any questions, confusions or concerns on the contract
5. If you have an existing relationship with the carrier, compare the new contract to the old in the areas you have questions,
6. Compare this agreement to other agreements you've signed that have worked and you agree with to help suggest alternative language to the carrier
7. Check with PIA to see if PIA has a review of the agreement on file. If there is not review on file for this particular agreement, PIA will review the agreement for you.
8. In addition to involving PIA, write a letter to the CEO of the company or VP in charge of marketing and document your questions, confusions, or concerns with the agreement.
9. Ask for a response from the company in writing.
10. Based on the response, decide what provision language you're willing to swallow (if any) for the business relationship.
11. Decide what language must be changed or no business relationship
12. Sign the agreement when you like it.
13. Sign the agreement when you must, but note the date of letter expressing your questions, confusions &/or concerns on the agreement.
14. Be careful about NOT signing the agreement AND not making your reservations known in writing and then continuing to do business with the company. The fact that you continue to do business with the company can be construed as acceptance, especially when you have no documentation of your request for needed changes or clarifications.