



Smith & Reid

INSURANCE • ASSURANCES

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BROKER COMPENSATION

We appreciate your business and the trust you have placed in us to service your general insurance needs. We feel it is our duty to openly discuss all aspects of your dealings with our company. In keeping with our commitment to provide our clients the best service possible, this letter will explain our duties to you, our valued client, and the ways we are compensated by the insurers with which we have chosen to partner to fulfill those duties.

We strive to provide you with the best insurance value that combines coverage, service, financial stability and price. We also provide personalized, quality service that includes professional insurance advice, ongoing policy management and claims support. When any issue arises regarding your insurance coverage, we are your advocate, using our professional experience to best represent your individual interest.

Broker compensation is part of your premiums. For your benefit, we are providing you with a list of commercial and personal insurers that we represent on a contractual basis and have included the range of compensation each provides as a percentage of your overall premium. In order for us to maintain strong and long-term relationships with quality insurers, we work with each to provide the type of business they desire. The insurers shown on the table with an asterisk (*) recognize our efforts through a contingent commission contract. Payment of this contingent commission may depend on a combination of growth, loss ratio, volume, retention and increased services that we provide on behalf of the insurer. It is based on our entire portfolio of business with that insurer and not on individual policies. Contingent commission is not guaranteed. Please visit the individual company's website for detailed information.

From time to time we may participate in insurer incentive programs.

We currently have a loan through Northbridge Insurance that was used to expand our business.

Smith & Reid Insurance Brokers Ltd.

Insurers that we represent on a contractual basis showing the range of compensation each provides as a percentage of your overall premium.

Company	Automobile	Property/Casualty/Surety
Abex	n/a	15-17.5%
Aviva, including Elite, Hagerty, Nautimax *	12.5%	20%
Beazley	n/a	15%
Berkley	n/a	15-22.5%
Burns & Wilcox	n/a	12.5%
Chieftain – Travelers Essential	12.5%	20%
Chubb	10-12.5%	15%
Coalition	0%	15%
Commonwell	12.5%	20%
Dominion/Travelers *	12.5%	20-25%
Economical Insurance - Definity *	12.5%	20%
Evolution	n/a	15%
Facility Association through RSA **	6% -11%	n/a
Frank Cowan	n/a	10-15%
Grenville	12.5%	20%
Hub Program (accessed through Totten Group)	n/a	Dealership Package Policy 11.25 -15%
Intact *	7.5-12.5%	20-25%
Jevco	5 – 15%	n/a
Markel	n/a	15-25%
Northbridge Insurance *	10-12.5%	20%
Premier	n/a	15%
Totten Group	n/a	10-15%
Trisura	n/a	27.5%
Victor Insurance Managers	n/a	15 -20%
Wynward	n/a	20%

*indicates an insuring company where a contingent commission contract is in place.

**Commission capped for some lines of business at \$370.00