

Date: [Insert Date]

To: [Insert Client Name]
[Insert Client Address]
[Insert City, State, Zip Code]

Subject: Acknowledgment of Fiduciary Duty and Liability

Dear [Insert Client Name],

This letter serves as a formal acknowledgment of the fiduciary duties and liabilities held by [Insert Agency/Producer Name] (the "Producer") in relation to the insurance services and financial products provided to you.

1. Fiduciary Duty: The Producer acknowledges a legal and ethical obligation to act in your best interest at all times. This includes providing transparent advice, disclosing any potential conflicts of interest, and ensuring that recommended products align with your specific financial goals and risk tolerance.

2. Duty of Care: The Producer agrees to exercise the degree of care, skill, and diligence that a prudent professional in the insurance industry would exercise under similar circumstances.

3. Handling of Funds: The Producer acknowledges their fiduciary responsibility regarding the collection and remittance of premiums. All funds received shall be handled in accordance with state regulations and held in a designated fiduciary account where required by law.

4. Full Disclosure: The Producer commits to disclosing all material facts regarding insurance policies, including coverage limitations, exclusions, and the compensation received by the Producer from insurance carriers related to your account.

5. Acknowledgment of Liability: The Producer understands that failure to uphold these duties may result in professional liability. The Producer maintains Errors and Omissions (E&O) insurance to provide protection in the event of professional negligence.

By signing below, the Producer affirms their commitment to these standards, and the Client acknowledges receipt of this disclosure.

Sincerely,

[Insert Producer Name]
[Insert Title]
[Insert Agency Name]

Client Acknowledgment:

I, [Insert Client Name], hereby acknowledge that I have read and understand the terms of this
Fiduciary Liability and Duty Acknowledgment Letter.

[Insert Client Signature]

Date: _____