



Policy Period:

November 1, 2016 to November 1, 2017

Insurer:

American Automobile Insurance Company
An Allianz Global Corporate & Specialty Company
2016 A.M. Best's A+ (Superior): XV

"The information obtained from A.M. Best dated August 11, 2016 is not in any way CalSurance Associates' warranty or guaranty of the financial stability of the insurer in question, and that the information is current only as of the date of publication."

Policy Number: ME07318619

Risk Purchasing Group Membership:

By applying for this insurance, agents are applying for membership in the Financial Sales Professionals Purchasing Group, a group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901et seq.). There is no additional charge for this membership.

Limits of Liability Options:

\$ 500,000 each claim, \$1,000,000 annual aggregate
\$1,000,000 each claim, \$1,000,000 annual aggregate
\$1,000,000 each claim, \$3,000,000 annual aggregate

Deductibles: (applicable to Damages & Defense Costs)

\$1,000 each claim for Long Term Care Products
\$2,500 each claim for All Other Covered Products

Retroactive Date:

Date of first continuous claims made Life Insurance Agents' Errors & Omissions Liability Policy

Coverage (Claims Made and Reported):

Acts, errors or omissions arising out of the rendering of or failure to render Professional Services
Personal Injury

Eligible Agents:

- The agent's total annual commissions do not exceed \$1,000,000;
- The agent's commissions derived from the sale of life, accident & health, disability, income, long term care must represent at least 80% of total annual commissions;
- The agent's total annual commissions from the sale/servicing of fully insured Group Accident & Health Insurance products do not exceed 25% of total annual commission;
- The agent has no pending or prior E&O claims in the past 5 years nor is the agent aware of any incident or circumstance that may give rise to an E&O claim;
- The agent has never been the subject of a complaint, reprimand, disciplinary or criminal action by any federal, state or local authorities as a result of their professional services; and
- The agent does not operate as a marketing organization or wholesaler.

Named Insured:

Agents contracted with National LTC Network affiliated agencies

Definition of Covered Product:

- Option I: Long Term Care Insurance only
- Option II: Long Term Care Insurance, Life Insurance, (other than Variable Life Insurance products), Accident & Health Insurance, Medicare Supplemental Insurance.
- Option III: Long Term Care Insurance, Life Insurance (other than Variable Life Insurance products), Accident & Health Insurance, Medicare Supplemental Insurance, Fixed Annuities/LTC Hybrid products.

Professional Services:

Those services identified below, rendered in connection with a Covered Product to a Client in the conduct of such agent's profession as a properly licensed life or A&H insurance agent, general agent, broker or a Notary Public;

- 1) Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a Covered Product; but not including the sale, surrender, conversion or any alteration of a Covered Product, in order to acquire or invest in anything other than a Covered Product;
- 2) Providing advice or consultation solely related to a Covered Product, including financial planning or consulting solely related to a Covered product; but not including any advice or recommendation to, in any way, sell, convert, surrender, or alter a Covered Product, in order to acquire or invest in anything other than a Covered Product;
- 3) Assisting a client in obtaining premium financing for a Covered Product through an entity not affiliated with any Insured;
- 4) The supervision or training of Agency/Agency Staff or of another agent contracted with a member agency of the NLTCN in connection with the Professional Services described above.

Extended Reporting Period:

If an agent's contract with a National LTC Network affiliated company terminates for any reason, other than for cause, coverage continues until the expiration of the policy period.

If such termination is in conjunction with retirement, disability or death, the following ERP options are available for purchase:

- 1 year at 100% of expiring annual premium;
- 2 years at 150% of expiring annual premium;
- 3 years at 200% of expiring annual premium;
- 4 years at 250% of expiring annual premium;
- 5 years at 300% of expiring annual premium; or
- 10 years at 500% of expiring annual premium.

Claims Administration:

Lancer Claims Services
A Division of Brown & Brown Program Insurance Services, Inc.
681 S. Parker St., #300
Orange, CA 92868
(800) 821-0540

Program Administration:

CalSurance Associates
A Division of Brown & Brown Program Insurance Services, Inc.
Domiciled in California, CA License # 0B02587

Please review the attached program materials. A complete copy of the specimen policy is available by calling 800-745-7189 or by visiting

www.calsurance.com/NLTCN

National LTC Network – Exclusions

The Carrier shall not be liable to make any payment for loss in connection with any claim:

- A) Based upon or arising out of any dishonest, fraudulent, criminal, malicious intentional or willful act or omission by any Insured; provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such Insured establishing that such Insured committed such conduct; provided, however, this exclusion only applies to any Insured who participated in, acted with knowledge of, or acquiesced to, such conduct;
- B) Based upon or arising out of any Insured gaining in fact any personal profit or advantage to which such Insured was not legally entitled;
- C) Based upon, arising out of or in any way involving any actual or alleged bodily injury, including sickness, injury, disease or death of any person, provided however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the Insureds rendering of or failing to render Professional Services; or damage to or destruction of any property, including loss of use thereof;
- D) Based upon, arising out of or in any way involving any actual or alleged infringement of copyright, patent, trademark, trade name, trade dress, service mark or misappropriation of ideas or trade secrets, piracy or plagiarism;
- E) Based upon, arising out of or in any way involving: any pension, welfare or benefit plan organized for the benefit of employees of the Insured; or any Insured's obligations or services as a fiduciary or trustee under ERISA Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;
- F) Based upon, arising out of or in any way involving any Insureds actions, activities responsibilities or duties as a third party administrator of any plan, whether insured or self-insured;
- G) Based upon, arising out of or in any way involving any: liability of others assumed by Insured in a written or oral contract or agreement; or actual or alleged liability of any Insured under any written or oral contract or agreement; provided, however this exclusion shall not apply to liability of any Insured which would exist in the absence of such contract or agreement;
- H) Based upon, arising out of or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any covered product or as to non-guaranteed interest rates or future premium payments;
- I) Based upon, arising out of or in any way involving any actual or alleged liability for any employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion; evaluation; reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; invasion of privacy; or retaliation; or discrimination or harassment of any kind, other than discrimination or harassment excluded above, against any person or entity;
- J) Based upon, arising out of or in any way involving any services performed by the Insured whether or not the Insured is licensed as such, as: an accountant, architect, actuary, tax preparer, or advisor, (except tax advice provided directly concerning a covered product) attorney, real estate agent or broker; engineer, a financial planner or registered investment advisor, except as related to a covered product; or a securities broker or dealer;
- K) Based upon or arising out of: the collection, payment or return of, or failure to collect, pay or return, any commission, fee, tax or premium; any dispute with another insurance agent or broker, including, but not limited to, any dispute concerning commissions, fees, client lists or entitlements; or any commingling, misappropriation or conversion of client funds;
- L) Based upon, arising out of or in any way involving any actual or alleged unauthorized use or release of any confidential or private information pertaining to any client, any director, manager, partner, member, officer or employee of any client or any family member of such person;
- M) Based upon, arising out of or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any organization, including but not limited to a product provider, regardless of when the financial impairment of such organization began and whether or not any Insured was aware or could have been aware of the financial impairment of such organization; provided, however, this exclusion shall not apply if at the time of the wrongful act the product provider was: 1) an admitted insurance company rated B+ or better by A.M. Best Company, and 2) a non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the covered product was sold, placed or obtained, 3) the product provider was guaranteed by a governmental body or bodies (including but not limited to assigned risk plans, joint underwriting associations, or fair plans) or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company, or was part of the Iowa Communities Assurance Pools (ICAPS); or 4) MedAmerica Insurance Company and Genworth Life Insurance Company, subject to a minimum A.M. Best rating of B++.
- N) Based upon, arising out of or in any way involving the direct or indirect placement of, or recommendation to place, any client's insurance, coverage, funds, premium or product with or in any product provider, entity or vehicle not licensed to transact such business in the state or jurisdiction in which such business was conducted; provided, however, this exclusion shall not apply with respect to any product provider authorized or approved as a surplus lines insurer or carrier in the state of jurisdiction in which such business was conducted;
- O) Based upon, arising out of or in any way involving any promissory notes, viatical or life settlements as investments or contracts or viatical investment pools or any securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisors Act of 1940 and any amendments thereto) backed by viatical settlements, commodities, commodity future contracts, or option contracts;
- P) Based upon, arising out of or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a claim solely based upon or arising out of the selling or servicing of a covered product utilized to fund a structured settlement;
- Q) Based upon or arising out of: any wrongful act or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy; any other Wrongful Act whenever occurring, which, together with a Wrongful Act which has been the subject of such notice, would constitute Interrelated Wrongful Acts; or any Wrongful Act of which the Insured had actual or constructive knowledge as of the Inception of this Policy and which could have reasonably been expected to result in a Claim;
- R) For Personal Injury based upon or arising out of: the oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity; or the oral or written publication of material whose first publication took place before the Retroactive Date;
- S) Based upon or arising out of or in any way involving any claim or dispute between Insureds under this Policy. However, this exclusion shall not apply if the Wrongful Act arises out of Professional Services by an Insured rendered to such other Insured as a Client provided the Insured rendering such Professional Service does not have an equity interest in the property to be insured.
- T) Based upon, arising out of or in any way involving any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous, thermal, or aural irritant, pollutant, contaminant, including but not limited to, noise, lead, asbestos, smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials (including those that are or are to be stored, recycled, reconditioned or reclaimed), into or upon land, air, water or property; or
- U) Based upon, arising out of or in any way involving any nuclear reaction, radiation, radioactive contamination or radioactive substance, in any form, no matter how emitted.

National LTC Network

Enrollment Form - Single Producers

Claims Made & Reported Errors & Omissions Coverage

Policy Period: November 1, 2016 to November 1, 2017



By purchasing this insurance, agents become members of the Financial Sales Professionals Purchasing Group, a group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901 et seq.). There is no additional charge for membership.

Instructions.....Complete ALL sections of this form and include your signature at the bottom.
Return this form along with payment to: CalSure Associates, P.O. Box 7048, Orange, CA 92863-7048

Coverage Questions.....Call CalSure Associates at (800) 745-7189 or email at info@calsurance.com

Reminder.....ALL sections must be completed. Incomplete forms will take additional time to process.

Certificates of Insurance.....Call **CalSure**® at (800) 745-7189 or Go online: www.calsurance.com/NLTCN - Certificate Reprinting - Sponsoring Group - National LTC Network

Section 1 - Your Information (Please print clearly)

First Name Last Name

- - - -
Contact Phone Number Fax Number

Mailing Address

City State Zip Code

E-mail

Section 2 - Eligibility Questions

- Does your total annual commission exceed \$1,000,000? Yes No
- Does your commission derived from the sale of life, accident & health, disability income or long term care represent less than 80% of total annual commissions? Yes No
- Does your total annual commission from the sale/servicing of fully insured Group Accident & Health Insurance products exceed 25% of total annual commission? Yes No
- Have you had any pending or prior E&O claims in the past 5 years or are you aware of any incident or circumstance that may give rise to an E&O claim? Yes No
- Have you ever been the subject of a complaint, reprimand, disciplinary or criminal action by any federal, state or local authority as a result of your professional services? Yes No
- Do you operate as a marketing organization or wholesaler? Yes No
- Have you ever had an insurance company terminate your agent or general agent contract for "cause", as that term is defined by the insurance company or agent contract, including contract termination as a result of a regulatory or disciplinary action or criminal action by any federal, state or local authorities or any self-governing, regulatory body or bodies, as a result of your professional services? Yes No

If you have answered "YES" to any of the above questions you do not qualify for enrollment in this program.

Section 3 - Which company are you affiliated with:

- | | |
|--|---|
| <input type="checkbox"/> Advanced LTC | <input type="checkbox"/> LTC Solutions |
| <input type="checkbox"/> Americal LTC | <input type="checkbox"/> LTCI Associates |
| <input type="checkbox"/> California LTC | <input type="checkbox"/> LTCI Brokers |
| <input type="checkbox"/> CFK Life Plans | <input type="checkbox"/> M&O Marketing |
| <input type="checkbox"/> Comfort Assurance | <input type="checkbox"/> MAGA Limited |
| <input type="checkbox"/> EM-Power Services | <input type="checkbox"/> Master Care Solutions |
| <input type="checkbox"/> Gelbwaks Executive Marketing | <input type="checkbox"/> McAree Company |
| <input type="checkbox"/> Gelbwaks Insurance | <input type="checkbox"/> MedAmerica Insurance Company |
| <input type="checkbox"/> Healthcare Benefit | <input type="checkbox"/> Mowery Associates |
| <input type="checkbox"/> Heartland LTC | <input type="checkbox"/> National LTC Network |
| <input type="checkbox"/> Individual Commercial Brokerage | <input type="checkbox"/> Newman Long Term Care |
| <input type="checkbox"/> LifeStyle Insurance | <input type="checkbox"/> NY Long-Term Care Brokers |
| <input type="checkbox"/> Long Term Care Advisors | <input type="checkbox"/> Shields Brokerage |
| <input type="checkbox"/> Long Term Care Associates | <input type="checkbox"/> Todd Benefits Group |
| <input type="checkbox"/> LTC Benefits Group | <input type="checkbox"/> United LTC Network |
| <input type="checkbox"/> LTC Global | |

Section 4 - Coverage Options

Limit of Liability: \$ 500,000 each claim/\$1,000,000 aggregate
(Select One) \$1,000,000 each claim/\$1,000,000 aggregate
 \$1,000,000 each claim/\$3,000,000 aggregate

Coverage Level: Option I: LTC Products
(Select One) Option II: LTC Products + Fixed Life, A&H and Medicare Supplemental Products
 Option III: LTC Products + Fixed Life, A&H, Medicare Supplemental products & Fixed Annuities/LTC Hybrid products

Section 5 - Payment Options

NOTICE: Effective date of coverage cannot be prior to your date of contract with the sponsor and cannot be backdated to a prior month.

Effective Date of Coverage - -

Check or Money Order:
Payment in Full Only. No Installments. Payment and installment options available online at: www.calsurance.com/NLTCN

Please make check or money order payable to CalSure Associates. Mail check or Money Order to:
CalSure Associates
P.O. Box 7048, Orange, CA 92863-7048

Enter amount from **PREMIUM TABLE** (included in this packet) which corresponds to the above selections: \$

Section 6 - Notices and Warranties

NOTICE: I must be a currently contracted agent with National LTC Network to be eligible for this program. Otherwise, I will not be considered an Insured under this program and no claims made against me will be covered.

I warrant that I am currently contracted with National LTC Network.

NOTICE: This is a claims made and reported policy. If I have knowledge of any claim or incident that could give rise to a claim under the proposed policy and any claim or action arises therefrom, it is excluded from coverage for which this form applies. A potential gap in coverage may occur if I elect an effective date that is not continuous with my prior expiration date, and may result in the denial of a claim.

I warrant that I have no knowledge of any pending claim or incident that could give rise to a claim under the proposed policy.

I acknowledge that the specimen policy and program materials have been delivered to me via www.calsurance.com/NLTCN and I have reviewed these documents prior to enrolling in the program.

I warrant and represent that the above statements are true and that I have not suppressed or misstated any material facts and I agree that this application shall be the basis of the contract with the company issuing the policy. It is understood that completion of this application does not bind the company to issue or the applicant to purchase the insurance.

I have read the above notices and warranties and agree.

Signature (Required) Today's Date



National LTC Network Premium Matrix November 1, 2016 to November 1, 2017



Enrollment Month	Limits of Liability	Option I LTC Products ONLY	Option II LTC Products, Fixed Life, A&H and Medicare Supplemental Products	Option III LTC Products, Fixed Life, A&H, Medicare Supplemental products and Fixed Annuities/ LTC Hybrid Products
November 2016	\$ 500,000/\$1,000,000	\$ 400	\$ 460	\$ 510
	\$1,000,000/\$1,000,000	\$ 435	\$ 485	\$ 535
	\$1,000,000/\$3,000,000	\$ 480	\$ 510	\$ 560
December 2016	\$ 500,000/\$1,000,000	\$ 370	\$ 426	\$ 471
	\$1,000,000/\$1,000,000	\$ 402	\$ 449	\$ 494
	\$1,000,000/\$3,000,000	\$ 443	\$ 471	\$ 517
January 2017	\$ 500,000/\$1,000,000	\$ 339	\$ 389	\$ 431
	\$1,000,000/\$1,000,000	\$ 368	\$ 410	\$ 452
	\$1,000,000/\$3,000,000	\$ 406	\$ 431	\$ 473
February 2017	\$ 500,000/\$1,000,000	\$ 309	\$ 353	\$ 391
	\$1,000,000/\$1,000,000	\$ 335	\$ 372	\$ 409
	\$1,000,000/\$3,000,000	\$ 369	\$ 391	\$ 428
March 2017	\$ 500,000/\$1,000,000	\$ 278	\$ 321	\$ 354
	\$1,000,000/\$1,000,000	\$ 302	\$ 338	\$ 371
	\$1,000,000/\$3,000,000	\$ 332	\$ 354	\$ 388
April 2017	\$ 500,000/\$1,000,000	\$ 248	\$ 285	\$ 314
	\$1,000,000/\$1,000,000	\$ 268	\$ 299	\$ 329
	\$1,000,000/\$3,000,000	\$ 295	\$ 314	\$ 343
May 2017	\$ 500,000/\$1,000,000	\$ 218	\$ 250	\$ 275
	\$1,000,000/\$1,000,000	\$ 235	\$ 262	\$ 288
	\$1,000,000/\$3,000,000	\$ 258	\$ 275	\$ 300
June 2017	\$ 500,000/\$1,000,000	\$ 187	\$ 214	\$ 235
	\$1,000,000/\$1,000,000	\$ 202	\$ 224	\$ 245
	\$1,000,000/\$3,000,000	\$ 220	\$ 235	\$ 256
July 2017	\$ 500,000/\$1,000,000	\$ 157	\$ 179	\$ 196
	\$1,000,000/\$1,000,000	\$ 168	\$ 187	\$ 204
	\$1,000,000/\$3,000,000	\$ 183	\$ 196	\$ 212
August 2017	\$ 500,000/\$1,000,000	\$ 126	\$ 143	\$ 155
	\$1,000,000/\$1,000,000	\$ 135	\$ 149	\$ 162
	\$1,000,000/\$3,000,000	\$ 146	\$ 155	\$ 168
September 2017	\$ 500,000/\$1,000,000	\$ 96	\$ 107	\$ 115
	\$1,000,000/\$1,000,000	\$ 102	\$ 111	\$ 119
	\$1,000,000/\$3,000,000	\$ 109	\$ 115	\$ 123
October 2017	\$ 500,000/\$1,000,000	\$ 65	\$ 72	\$ 76
	\$1,000,000/\$1,000,000	\$ 68	\$ 74	\$ 78
	\$1,000,000/\$3,000,000	\$ 72	\$ 76	\$ 80

Note: Premiums above are inclusive of a non-refundable \$35.00 administration fee.
Installment payments can only be selected and priced by completing online enrollment.