

Welcome to the Group Sponsored Errors & Omissions Program

The Group Sponsored Errors & Omissions Program is designed exclusively for Agents affiliated with Unkefer & Associates. All of the information that you need in order to obtain professional liability insurance is available at calsurance.com/aluaa



Here are just some of the features of this top rated E&O program:

- Multiple Coverage Options Available - purchase only what you need
- Multiple Limits of Liability Options Available
- No Policy Aggregate, you do not share your limit with other enrolled agents!
- Defense Costs are Outside the Limit!
- Deductible as low as \$500 per claim on products of Unkefer & Associates!
- First Dollar Defense - Your deductible applies to loss payment only, not defense costs.
- Retroactive Date - Date of Agent's first continuously maintained Life Agents E&O Policy
- Additional Enhancements:
 - Regulatory Defense \$25,000 per agent
 - Enhanced Cyber Liability coverage up to \$100,000 per agent
 - Insolvency carveback for any Life & A&H Insurance Companies rated "B" or better by A.M. Best

Enroll Online TODAY at: www.calsurance.com/aluaa

Should you have any questions about this program, please call or email us at:

Phone: (888) 848-4955 or info@calsurance.com

Agent's E&O Program – Outline of Coverage

Policy Period: January 1, 2020 to January 1, 2021

Insurer: Aspen American Insurance Company
Member of The Aspen Group Aspen American Insurance Company an admitted carrier.

Rated A (Excellent) XV, by A.M. Best Company
The information obtained from A.M. Best dated March 1, 2019 is not in any way CalSurance Associate's warranty or guaranty of the financial stability of the Insurer and the information is current only as of the date of the publication.

Policy Number: LRAH2KV20

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 3901 et seq.). There is no additional charge for membership.

Limit of Liability:

\$1,000,000 Each Claim/\$1,000,000 Aggregate; or
\$1,000,000 Each Claim/\$2,000,000 Aggregate; or
\$1,000,000 Each Claim/\$3,000,000 Aggregate; or
\$2,000,000 Each Claim/\$2,000,000 Aggregate

Deductible:

\$500 per Claim on products of AmeriLife, waived for the first claim;
\$1,500 per Claim on Outside Products;
\$5,000 per Claim on Series 6 Claims
The Deductible applies to Damages only

Defense Costs: Defense costs are outside the Limit of Liability

Retroactive Date: The inception date of the Agent's first claims-made life insurance agent's professional liability policy from which coverage has been maintained in force without interruption.

Insured:

- 1) Agents Affiliated with AmeriLife or subsidiaries who have enrolled in the program and paid their premiums.
- 2) An entity owned and controlled by an Agent, arising solely from the performance of Professional Services provided by the Agent;
- 3) An employee acting in his or her capacity as such on behalf of an Agent, arising solely from the performance of Professional Services by the Agent;
- 4) The legal heir, executor, administrator or legal representative of an Agent in the event of such Agent's death, incapacity or bankruptcy;
- 5) The lawful spouse or domestic partner of any individual which qualifies as an Insured under Sub-sections 1., 3., or 4., above, for a Claim arising solely out of spousal or domestic partner status, and not out of any alleged independent wrongful acts, of such individual;
- 6) AmeriLife agencies on file with the company; or
- 7). The Sponsoring Company, but only for its vicarious liability for the covered acts of an Agent.

Coverage:

The Company shall pay on behalf of the Insured all sums in excess of the Deductible set forth in Item 4 of the Declarations which the Insured shall become legally obligated to pay as Damages and Claims Expenses resulting from Claims first made against the Insured during the Policy Period, or Extended Reporting Period, if applicable, as a result of a Wrongful Act by an Insured, provided that:

Coverage: (continued)

1. The Wrongful Act was first committed on or after the Retroactive Date and before the expiration of the Policy Period;
2. No Insured gave notice to any prior insurer of such Wrongful Act;
3. The Insured reported such Claim in writing to the Company, as soon as practicable, during the Policy Period, but in no event later than sixty (60) days after expiration or termination of this Policy, or during the Extended Reporting Period, if applicable;
4. Prior to the Inception Date of this Policy, no Insured knew or could have reasonably foreseen that such Wrongful Act might give rise to a Claim; and
5. There is no other policy or policies which provide insurance for such Wrongful Act.

Professional Services (Note: Coverage is dependent upon coverage level selected during enrollment – see form):

The solicitation, sale or servicing of:

- 1) Individual or group accident or health insurance, Medicare Supplement, Medicare Advantage (including Medicare Part D), and disability insurance;
- 2) Final expense and guaranteed final expense;
- 3) Long term care insurance;
- 4) Fixed life or fixed annuity insurance;
- 5) Mortgage Life Insurance;
- 6) Disability Insurance;
- 7) Life Insurance;
- 8) Fixed and Indexed Annuities; and
- 9) Variable annuities, variable life insurance, or flexible and scheduled premium annuities sold through a Broker-Dealer.
- 10) Defined Contribution Health Insurance Plans (\$250,000 sublimit applies)

Professional Services also means the solicitation, sale or servicing of a life insurance policy approved by the Sponsoring Company or a subsidiary in which the premium was paid for, in whole or in part, by or through any premium finance mechanism or any premium finance company provided, however, that the death benefits of such life insurance policy are \$10,000,000 or less (\$250,000 sublimit applies).

Coverage Extensions:

- Disciplinary Proceedings (\$10,000 sublimit)
- Subpoena Compliance (\$10,000 sublimit)
- Privacy and Network Security Coverage (\$100,000 sublimit)

Extended Reporting Period:

If, during the Policy Period, the Sponsoring Company terminates an Agent's contract for non-disciplinary insurance for such Insured shall continue until the end of this Policy Period. The agent shall have a period of 60 days after the end of the policy period to report claims arising from a wrongful acts committed after the retroactive date and prior to the end of the policy period. If the agent is terminated for disciplinary reasons coverage shall cease upon date of termination.

If, during the Policy Period, an Agent retires or becomes disabled or deceased, the Agent or its legal representative shall have the option to purchase an Extended Reporting Period of 3 years, 5 years or an unlimited period of time for an additional premium

Claims Administrator: Lancer Claims Services

A Division of Brown & Brown Program Insurance Services, Inc.
681 S. Parker St. #300, Orange, CA 92869
(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 policy and program materials. A complete copy of the specimen policy is available by calling 800-745-7189 or by visiting www.calsurance.com/aluaa. This document is a summary of the coverage provided. All statements contained herein are subject to all terms, conditions and exclusions of the actual policy.

EXCLUSIONS, including but not limited to:

This Policy does not apply to any Claim based upon, arising out of, directly or indirectly, or in whole or in part, or in any way involving:

- A. Any intentional wrongdoing, fraud, dishonesty, or malicious Wrongful Acts by an Insured, if a judgment or other final adjudication adverse to the Insured establishes such conduct, or if the Insured admits to such conduct. The Company shall continue to defend the Insured, if these allegations arise out of Wrongful Acts otherwise covered under this Policy, but the Insured shall reimburse the Company for Claims Expenses if such conduct is established as a matter of fact in a civil, arbitration, criminal or other proceeding, or is admitted to by an Insured. Only facts pertaining to and knowledge possessed by any executive officer shall be imputed to an Insured entity;
- B. Any Claim brought or maintained, directly or indirectly, by or on behalf of any:
 - 1) Insured; provided that this Exclusion shall not apply to any alleged Wrongful Termination;
 - 2) Company or Broker-Dealer;
 - 3) Insurance agent or broker;
 - 4) Entity that is not a client of an Insured; provided that this Exclusion shall not apply to any Claim brought by an entity who is a beneficiary, heir, executor, conservator, or administrator of a deceased client of an Insured, and it shall further not apply to any alleged Wrongful Termination;
 - 5) Entity:
 - a. Wherein the Insured has a Controlling Interest;
 - b. In which the Insured is:
 - i. An Officer;
 - ii. A director; or
 - iii. A partner; or
 - c. Which wholly or partly owns, operates, or manages the Insured;
 - 6) Governmental or quasi-governmental entity, or Self-Regulatory Organization including, but not limited to, any state or federal insurance or securities commission or agency, or the Financial Industry Regulatory Authority or the Securities and Exchange Commission; provided that this Exclusion shall not apply to any:
 - a. Claim brought by or on behalf of such entity in its capacity as a client of an Insured;
 - b. Coverage afforded pursuant to Section II.A. EXTENSIONS OF COVERAGE; and
 - c. Regulatory proceeding; provided that this coverage is subject to a \$25,000 sublimit, for each Agent. This coverage is part of and not in addition to the Limits of Liability otherwise provided. There is no Deductible for coverage afforded under this Subsection B.6.c.
- C. Any fact, circumstance, situation, transaction, event or Wrongful Act that, before the Inception Date set forth in Item 2.(A) of the Declarations, was the subject of any notice given under any insurance policy issued by any insurer or any policy of which this Policy is a direct or indirect renewal or replacement.
- D. Any Claim, demand, suit, litigation or other proceeding pending against, or order, decree or judgment entered for or against any Insured which was pending on or existed prior to the Inception Date set forth in Item 2.(A) of the Declarations, or the same or substantially the same facts, circumstances, situation or allegations underlying or alleged therein.
- E. Any actual or alleged services as an accountant, tax preparer or advisor, actuary, architect, engineer, lawyer, estate agent or broker, property or casualty insurance agent, title insurance agent, or third-party claims administrator.
- F. Any actual or alleged placement of a client's coverage or funds directly or indirectly with any entity which is not licensed to conduct business in the state or jurisdiction with authority to regulate such business; provided that this Exclusion shall not apply to the placement of client's coverage or funds directly or indirectly with an eligible surplus lines insurer in the state or jurisdiction with authority to regulate such business.
- G. Any actual or alleged ownership, formation, sale, servicing, operation, or administration of claims for any insurance company, health maintenance organization, preferred provider organization, captive, risk retention group, self-insurance group/program, purchasing group, Professional Employer Organization (PEO), or any pool syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits.
- H. Any actual or alleged sale, servicing, or administration of, or advice or planning with respect to, any Multiple Employer Welfare Arrangement.
- I. Any pension, profit sharing, health, welfare or other employee benefit plan, insurance plan or trust, organized for the benefit of employees of any Insured.
- J. Any financial inability or refusal to pay, insolvency, receivership, conservatorship, bankruptcy, or liquidation of any entity in which an Insured has placed or recommended to be placed, coverage or the funds of a client; provided that this Exclusion shall not apply to any insurer that was rated B or better by A.M. Best at the time the Insured has placed or recommended to be placed such coverage or funds (\$250,000 sublimit applies);
- K. Any actual or alleged liability of others assumed by an Insured under any written or oral contract or agreement, provided that this Exclusion shall not apply to the extent that the Insured would have been liable in the absence of such contract or agreement.
- L. The Insured making representations, promises or guarantees as to the future value of any investment including but not limited to, representations, promises or guarantees as to interest rates, fluctuation in interest rates, future premium payments or market value(s).
- M. Any actual or alleged gaining of personal profit or advantage to which an Insured is not legally entitled.
- N. Any disputes involving an Insured's commissions, fees, charges, entitlements or other compensation.
- O. Any actual or alleged commingling, conversion, misappropriation, or defalcation of any funds by any Insured.
- P. Any actual or alleged willful violation of the rules or regulations of the Financial Industry Regulatory Authority, Securities and Exchange Commission, Securities Act of 1933, Securities Exchange Act of 1934, Investment Company Act of 1940, and any amendments thereto, or of any state securities statute or state regulatory agency.
- Q. Any Securities.
- R. Any insurance or financial product owned in whole or in part by an Insured.
- S. Any structured settlements; provided that this Exclusion shall not apply to an underlying covered product.
- T. Any promissory notes, commodities, futures contracts, or option contracts.
- U. Any viatical or life settlements, reverse mortgages, or any similar product in which the present value of a condition contract is exchanged or sold.
- V. Any "Stranger Originated Life Insurance (STOLI)" or "Speculator Initiated Life Insurance (SPINLIFE)" or any other type of policies where the purchaser of the life product does not have an insurable interest in the Insured under such life product.

EXCLUSIONS, including but not limited to:

This Policy does not apply to any Claim based upon, arising out of, directly or indirectly, or in whole or in part, or in any way involving:

- W. Any accident and/or health insurance products sold into or part of an IRS Section 412(i) and/or 419 plan or the tax status or lack of eligibility relative to any IRS or other governmental ruling concerning IRS Section 412(i) p 419 plans.
- X. Any bodily injury, including sickness, injury, disease or death of any person; or injury to or destruction of any tangible property, including loss of use thereof.
- Y. Any actual or alleged discrimination, harassment, or misconduct:
 - 1) By an Insured because of race, creed, color, age, gender, sex, sexual preference or orientation, national origin, religion, disability, handicap, marital status, or any other class protected under the federal, state, local or other law; or
 - 2) By an employee, former employee, or job applicant of an Insured in their capacity as such
- Z. Any actual or alleged infringement of copyright; plagiarism, piracy or misappropriation of ideas; or infringement of title, slogan, trademark, trade name, trade dress, service mark or service name; or any patent or trade secret; or any unfair competition, deceptive advertising, anticompetitive acts, restraint of trade, price fixing, or antitrust.
- AA. Any allegation of a pattern or practice of wrongful act or conduct by the Sponsoring Company including, but not limited to, any class action allegation.
- BB. Any actual or alleged violation of:
 - 1) The Telephone Consumer Protection Act (TSPA), including any amendment of or addition to such law,
 - 2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law, or
 - 3) Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.
- CC. Any notary services performed in the absence of the physical presence of the person whose signature is notarized.
- DD. Any actual or alleged design of any employee benefit plan.
- EE. Any Leveraged Exchange Traded Funds or Inverse Exchange Traded Funds.
- FF. Any cryptocurrency including but not limited to bitcoins.
- GG. Any crowdfunding or any investment under the Jump-Start Our Business Start-Ups Act.
- HH. Any loss of client or customer funds in reliance upon fraudulent instructions.
- II. Future Income Payments, LLC aka FIP, LLC.

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..... ☒ ALL sections must be completed. Incomplete forms will take additional time to process. Please allow up to ten (10) business days for processing.

☒ Return this form along with payment to: CalSurance Associates, P.O. Box 7048, Orange, CA 92863-7048

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

☒ Section 1 - Eligibility Questions

You must be able to answer "NO" to proceed with this form.

1. Do you have pending or paid E&O claim(s) in the past five (5) years or are you aware of any incident(s) or circumstance(s) that may give rise to an E&O claim? (Note: any such potential claims not already reported to your current E&O carrier are excluded from the proposed coverage and should be reported to your current E&O carrier immediately) ☐ Yes ☐ No
2. Have you ever been the subject of a reprimand or disciplinary action or criminal action by any federal, state or local authority, or by any self-governing regulatory body or bodies as a result of your professional services?
☐ Yes ☐ No

☒ Section 2 - Your Information (Please Print Clearly)

First Name

Last Name

Street Address

City

State

Zip Code

Contact Phone Number

- -

Email

☒ Section 3 - Effective Date and Amount Due

Effective Date of Coverage - -

NOTICE: Effective date of coverage cannot be backdated to a prior month.

Limits Each Claim/Agent Aggregate (Select One)

- ☐ \$1,000,000/\$1,000,000;
☐ \$1,000,000/\$2,000,000;
☐ \$1,000,000/\$3,000,000; or
☐ \$2,000,000/\$2,000,000

Coverage (Select One)

- ☐ **Level A:** Sale & Servicing of Final Expense, Mortgage Life, Medicare Supplement/Advantage Insurance, LTC, Disability, Health Insurance, Life Insurance, Fixed and Indexed Annuities.
☐ **Level B:** Level A plus Series 6
☐ **Level C:** Medicare Advantage/Supplement & Final Expense Only
☐ **Level D:** Level A New Agents Coverage (if licensed less than 2 years)

Total Amount Due (from Premium Matrix):

\$

(Please refer to the "Outline of Coverage" for coverage level details.)

☒ Section 4 - Payment

☒ **Check or Money Order:** Check made payable to CalSurance Associates for the **total amount due**.

Other payment options including installments by credit card or ACH (Debit/Checking) are available online at: www.calsurance.com/aluaa

☒ Section 4-Warranty Statement (Signature Required)

NOTICE: I must be currently affiliated with Unkefer & Associates 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 affiliated with Unkefer & Associates.

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, if any, 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/aluaa 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 nor the applicant to purchase the insurance.

Claims Expenses are included within the limits of liability applicable to the coverage provided by this Policy. Claim Expenses paid under this Policy will reduce the available limits of liability. To the extent that Policy limits are thereby exceeded, the Company shall not be liable for Claims Expenses or for the amount of any judgement or settlement.

This Notice forms a part of your insurance Policy.

I have read and acknowledge the above Notice and am aware that this Policy has Claims Expenses included in the Company's limits of liability.

Signature (Required)

Today's Date



Unkefer & Associates

ENROLLMENT PREMIUM TABLE

Policy Period: January 1, 2020 to January 1, 2021

LEVEL	Limit Each Claim/ Annual Aggregate	Rate
Level A	\$1,000,000/\$1,000,000	\$456.00
Level A	\$1,000,000/\$2,000,000	\$497.00
Level A	\$1,000,000/\$3,000,000	\$501.00
Level A	\$2,000,000/\$2,000,000	\$539.00
Level B	\$1,000,000/\$1,000,000	\$528.00
Level B	\$1,000,000/\$2,000,000	\$577.00
Level B	\$1,000,000/\$3,000,000	\$582.00
Level B	\$2,000,000/\$2,000,000	\$628.00
Level C	\$1,000,000/\$1,000,000	\$321.00
Level D	\$1,000,000/\$1,000,000	\$396.00

Rates include administration and sponsor affiliation fee.