



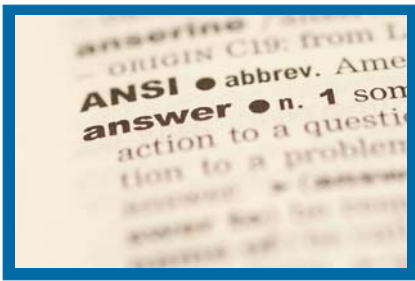
Allstate Exclusive Agents

Errors & Omissions

Frequently Asked Questions

October 1, 2014 to October 1, 2015

1. Who are CalSurance Associates & Lancer Claims Services?
2. Who is Fireman's Fund?
3. What is Errors & Omissions Insurance & what am I buying?
4. What do the two limits of liability mean?
5. Can I purchase higher limits of liability?
6. Why should I consider carrying higher limits than \$1 million per claim/\$1 million aggregate?
7. What about Defense Costs?
8. Do I have a deductible and if so, what is it?
9. What is my maximum annual deductible exposure?
10. Am I covered for acts committed prior to the effective date of my Allstate Exclusive Agency Agreement?
11. Am I covered for property/casualty, life, or accident and health companies I write business with outside of Allstate Insurance Company?
12. Am I covered for the sale and/or servicing of mutual funds and variable products?
13. Am I covered for my activities related to the sale of stocks and bonds?
14. As a newly contracted agent who has errors and omissions coverage elsewhere, can I wait until my policy expiration date to enroll?
15. I am a newly contracted agent with Allstate Insurance Company and/or its subsidiaries and affiliates. How do I enroll?
16. I am a renewing agent contracted prior to October 1, 2014. How do I enroll?
17. If I am a currently an Employee Agent, Exclusive Agent or Exclusive Financial Specialist enrolled in my respective program and am converting to an Exclusive Financial Specialist or Exclusive Agent contract, do I need to enroll again?
18. If I move to another state or open a second (satellite) location, do I need to purchase another policy?
19. Will my E&O policy extend to the Allstate banking activities in which Allstate authorizes me to participate?
20. How will my E&O policy respond if I am named in a claim as a result of an act, error, or omission by the Customer Contact Center (CCC)?
21. Does my Exclusive Agency Agreement provide indemnification to me as an agent for errors and omissions made by the CCC?
22. How do I obtain coverage for my staff? Do they need to be licensed?
23. What happens if my Exclusive Agency Agreement is terminated during the policy period?
24. What happens if I leave the insurance business?
25. What happens if I sell my agency?
26. Why should I consider purchasing an Extended Reporting Period?
27. Can the insurance company cancel my coverage?
28. How will my E&O policy respond if I am named in a claim that I feel that I have been wrongly accused of?
29. What is Employment Practices Liability coverage and is it be available for me to purchase?
30. Who do I contact if I need to make an address change?
31. How do I report a claim?
32. Is there a penalty for missing the enrollment deadline?
33. Is my coverage affected if I am submitted to Allstate for commission deduction and subsequently terminated before my full premium due is collected?
34. Can I use my Executive Advantage Card to enroll?
35. Do I have coverage for a data breach event?



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions

October 1, 2014 to October 1, 2015

1. Who are CalSurance Associates & Lancer Claims Services?

CalSurance Associates is the broker/administrator of the Allstate Sponsored Group Errors and Omissions Insurance programs. CalSurance Associates and Lancer Claims Services are insurance sales, service, and support organizations comprised of many diverse and specialized programs, with over 130 employees. CalSurance Associates and Lancer Claims Services are divisions of Brown and Brown Program Insurance Services, Inc.

Brown and Brown, Inc. and its subsidiaries offer a broad range of insurance and reinsurance products and services, as well as risk management, third-party administration, and managed health care programs, providing service to business, public entities, individual, trade and professional association clients nationwide. They are engaged in all insurance-related business as an insurance agent/broker, adjusting services provider, and third party claims administrator.

2. Who is Fireman's Fund?

Fireman's Fund (American Automobile Insurance Company) is the insurance carrier that insures the Allstate Errors & Omissions insurance programs.

Allianz, AG of Munich, Germany, one of the largest property and casualty insurers in the world, acquired Fireman's Fund in 1991.

A.M. Best is the insurance industry's leading rating agency. The rating agency's role is to inform policyholders about the ability of companies to pay claims, both short-term and long-term. It's important to Fireman's Fund's business that they consistently be an "A" rated company and their rating is among the highest ranking levels. Fireman's Fund is rated Excellent (A) by A.M. Best & Company as of July 10, 2013.

The information obtained from A.M. Best 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 the publication.

3. What is Errors & Omissions Insurance & what am I buying?

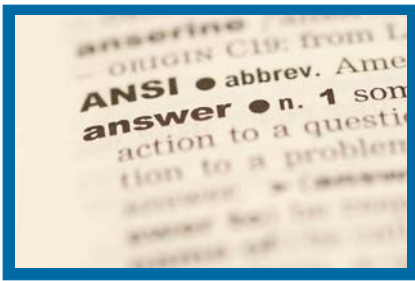
Errors & Omissions (E&O) Insurance provides protection for professionals in the event a claim is made against the professional or his/her staff, by a customer. Errors & Omissions is also called Professional Liability Insurance. As litigation has increased in the United States, E&O insurance has been used to protect professionals in almost every line of work where an individual has to acquire special knowledge or training to provide a service. It has been used to insure insurance agents for decades. You are buying peace of mind!

The type of claims that are covered by E&O are those that are brought for damages caused or allegedly caused by an act, error, or omission of the agent or a staff member during the course of rendering Professional Services to the customer. E&O insurance pays for the cost of the damages incurred by the claimant and the expenses associated with defending the claim.

4. What do the two limits of liability mean?

The first limit is the each claim per agent limit and the second limit is the aggregate limit per agent. In other words, if you chose the \$1,000,000 limit, the carrier will not pay damages over \$1,000,000 on any single one claim nor will they pay over \$1,000,000 in damages during any single Policy Period for each Named Insured regardless of the number of claims.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

5. Can I purchase higher limits of liability?

Yes. \$2,000,000, \$5,000,000, or \$10,000,000 limits each claim/aggregate are available for an additional premium. These options are only available during the open enrollment period and cannot be elected midterm unless you are enrolling midterm as a newly contracted agent or can provide documentation demonstrating that you are contractually obligated to carry higher limits of liability.

6. Why should I consider carrying higher limits than \$1 million per claim/\$1 million aggregate?

\$2 million per claim/aggregate, \$5 million per claim/aggregate, and \$10 million per claim/aggregate limits are available for added protection and peace of mind. Higher limits are encouraged for agents with large books of business and for agents who operate satellite offices, but all agents can benefit from the additional protection that higher limits provide. Claims have increased in both frequency and severity in recent years and it is not unheard of for a single claim to surpass \$1 million in damages or for an agent to face multiple claims in a given year. If claim costs exhaust your policy limits, you are liable for the damages in excess of those limits so it may make sense to consider purchasing higher limits.

7. What about Defense Costs?

Defense Costs are in addition to the Limits of Liability. This means that your limits are not eroded by Defense Costs in the event of a claim. However, there is no obligation to defend or continue to defend any claim after the Limits of Liability have been exhausted by judgments or settlements.

8. Do I have a deductible and if so, what is it?

Yes, the deductible is \$1,000 Each Claim per Agent for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates and \$5,000 Each Claim per Agent for Expanded Market Products, non-Allstate products and/or services that you have been authorized or approved by Allstate Insurance Company and/or its Subsidiaries and Affiliates to sell. The deductibles apply only to indemnity (damages). This means that in the event of a claim you would pay your deductible only when a damage settlement has been paid. If expenses were paid but no damages were paid, you would not be liable to pay your deductible. The following sliding deductible schedule was implemented effective October 1, 2011.

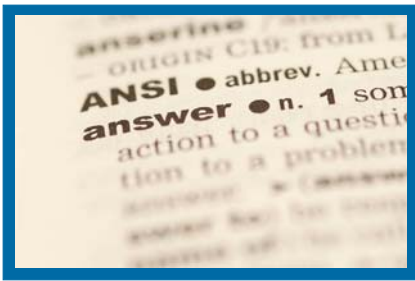
Notwithstanding the foregoing, the deductible shall be increased pursuant to the schedule below if the Insured has more than two (2) claims with a Damages payment reported against the following prior policies:

ME07318450 – 10/1/2011 to 10/1/2012
ME07318483 – 10/1/2012 to 10/1/2013
ME07318515 – 10/1/2013 to 10/1/2014

For the purposes of determining whether the increased deductible schedule below applies to claims reported against the above referenced policies, the following shall not be included:

1. Claims involving an underlying ISO certified catastrophe loss event;
2. Claims or potential claims with no payment;
3. Claims with Defense Cost payment only.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

8. Do I have a deductible and if so, what is it? (continued)

For Insureds with three (3) claims reported in the prior policies listed above, the deductible for the next claim reported during the 2014-2015 Policy Period that does not involve an underlying ISO certified catastrophe loss event shall be:

\$ 2,000 each claim for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates.

\$ 6,000 each claim for Expanded Market products and/or services.

\$15,000 aggregate deductible each Insured per Policy Period.

For Insureds with four (4) claims reported in the prior policies listed above, the deductible for the next claim reported during the 2014-2015 Policy Period that does not involve an underlying ISO certified catastrophe loss event shall be:

\$ 3,000 each claim for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates.

\$ 7,000 each claim for Expanded Market products and/or services.

\$15,000 aggregate deductible each Insured per Policy Period.

For Insureds with five (5) or more claims reported in the prior policies listed above, the deductible for the next claim reported during the 2014-2015 Policy Period that does not involve an underlying ISO certified catastrophe loss event shall be:

\$ 4,000 each claim for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates.

\$ 8,000 each claim for Expanded Market products and/or services.

\$15,000 aggregate deductible each Insured per Policy Period.

The deductible shall not exceed \$4,000 each claim for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates or \$8,000 each claim shall apply to Expanded Market products and/or services.

It is further understood and agreed that, the Aggregate Deductible limit that applies for all claims first made against the Insured and reported to the Company during the Policy Period will not exceed the amount stated above. The Aggregate Deductible limit applies separately to each consecutive annual Policy Period.

The deductible for claims involving an underlying ISO certified catastrophe loss event shall be \$1,000 each claim for claims involving products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates and \$5,000 each claim for claims involving Expanded Market products and/or services.

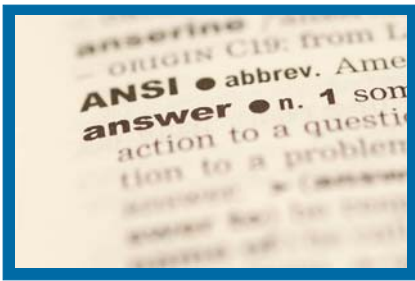
Example 1:

Agent John Smith had three claims reported against the three year period of **October 1, 2011 to September 30, 2014**. None of his claims involved an underlying ISO certified catastrophe loss event and Damages were paid out on John's behalf for all three claims. John Smith's deductible for claims filed during the 10/1/2014 to 10/1/2015 policy period will be \$2,000 for a product and/or service of Allstate Insurance Company and/or its Subsidiaries and Affiliates and \$6,000 for an Expanded Market product and/or service.

Example 2:

Agent Paula Jones had two claims reported against the three year period of **October 1, 2011 to September 30, 2014**. Claims were reported on October 30, 2012 and January 15, 2013. None of her claims involved an underlying ISO certified catastrophe loss event and Damages were paid out on Paula's behalf for both claims. During the 10/1/2014 to 10/1/2015 Policy Period, Paula has a third claim. Damages are paid on the third claim and it does not involve an underlying ISO certified catastrophe loss event. Paula Jones' deductible for the third claim reported against the 10/1/2014 to 10/1/2015 Policy Period will be \$1,000 for products and/or

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

8. Do I have a deductible and if so, what is it? (continued)

services of Allstate Insurance Company and/or its Subsidiaries and Affiliates and \$5,000 for an Expanded Market product and/or service.

If Paula does not have any additional claims during the remainder of the 10/1/2014 to 10/1/2015 Policy Period, in the following 10/1/2015 to 10/1/2016 Policy Period, Paula's deductible will increase to \$2,000 for products and/or services of Allstate Insurance Company and/or its Subsidiaries and Affiliates and \$6,000 for an Expanded Market product and/or service.

9. What is my maximum annual deductible exposure?

An aggregate deductible of \$15,000 per Named Insured was added to the policy effective 10/1/2007. This means, regardless of the number of claims that may be brought against you, the most you will pay in out-of-pocket deductible expense is \$15,000 per Policy Period.

10. Am I covered for acts committed prior to the effective date of my Allstate Exclusive Agency Agreement?

Coverage is provided retroactive to the effective date of your Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries and Affiliates or the inception date of the first claims made insurance Agent's Errors and Omissions Liability Policy that has been maintained in force without interruption, whichever is earlier. Claims arising from acts while you were an employee Agent of Allstate will not be covered by this policy. In the event a claim is brought against you for an act, error, omission or Personal Injury that occurred prior to the effective date of your Exclusive Agency Agreement, you will be required to furnish proof of your errors and omissions insurance in force at the time of the alleged error, which has been maintained continuously until the effective date of your Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries or Affiliates. Adequate proof is a valid certificate of insurance or declarations page issued by the insurance company. If adequate proof cannot be furnished, your retroactive date shall be the effective date of your earliest Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries and Affiliates.

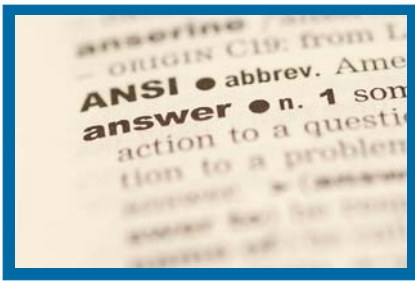
11. Am I covered for the property/casualty, life, or accident and health companies I write business with outside of Allstate Insurance Company?

You are covered for the sale and/or servicing of products and/or services authorized or approved by Allstate Insurance Company and/or its Subsidiaries and Affiliates. You are also covered for property/casualty products, life and accident and health business placed through an outside broker or third party administrator (Expanded Market) approved by Allstate Insurance Company and/or its Subsidiaries or Affiliates.

12. Am I covered for the sale and/or servicing of mutual funds and variable products?

Yes. As long as you are selling products of Allstate Insurance Company and/or its Subsidiaries and Affiliates that you are authorized by Allstate Insurance Company and/or its Subsidiaries or Affiliates to sell, your activities are covered, provided you are licensed by the appropriate authorities to sell such products. There is no additional premium for this coverage.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions

October 1, 2014 to October 1, 2015

13. Am I covered for my activities related to the sale of stocks and bonds?

No, coverage is not automatically provided for Series 7 activities. If you are licensed as a Series 7 Registered Representative, you are required to purchase the Series 7 endorsement. The Series 7 endorsement provides coverage for securities placed through a Broker Dealer approved and authorized by Allstate Insurance Company and/or its Subsidiaries and Affiliates, including but not limited to: stocks, bonds, unit investment trusts, limited partnerships and real estate investment trusts. Please refer to your premium table for the applicable additional premium due for this endorsement. If you terminate or downgrade your Series 7 license midterm and remain actively contracted with Allstate Insurance Company and/or its Subsidiaries and Affiliates, the premium is considered fully earned and no refund shall be provided.

14. As a newly contracted agent who has errors and omissions coverage elsewhere can I wait until my policy expiration date to enroll?

Enrollment in the Allstate Sponsored Group Errors and Omissions Program is mandatory for all currently contracted agents (excluding New York domiciled agents). You must enroll in the Allstate Group Sponsored E&O Program on the effective date of your Exclusive Agency Agreement even if you are currently covered under another E&O policy. We suggest you attempt to cancel the outside coverage concurrently with the effective date of your Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries and Affiliates.

15. I am a newly contracted agent with Allstate Insurance Company and/or its subsidiaries and affiliates. How do I enroll?

Visit www.calsurance.com/allstateagent and click on the "10/2014-10/2015 E&O Online Enrollment" button. Login by entering your first name, last name, and the last six digits of your primary Allstate agent number. Follow the prompts to complete enrollment. Payment options include full payment by credit card or full payment by ACH. You can print your certificate of insurance immediately upon enrollment.

Note: You may not use your Executive Advantage Card to pay for your E&O coverage.

16. I am a renewing agent contracted prior to October 1, 2014. How do I enroll?

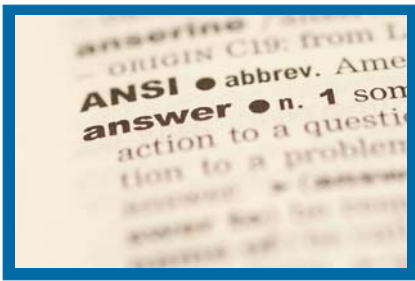
Visit www.calsurance.com/allstateagent and click on the "10/2014-10/2015 E&O Online Enrollment" button. Login by entering your first name, last name, and the last six digits of your primary Allstate agent number. Follow the website prompts to complete enrollment. Payment options include full payment by credit card, full payment by ACH, or installments by ACH. If you choose the three payment installments by ACH option, there will be a per installment fee of \$7.50 in addition to the premium due. The installments are scheduled for date of enrollment, October 1st and November 3rd. If you enroll on or after September 22nd, your premium will be divided into two installments (date of enrollment and November 3rd). You can print your certificate of insurance immediately upon enrollment.

Note: You may not use your Executive Advantage Card to pay for your E&O coverage.

17. If I am currently an Employee Agent, Exclusive Agent, or Exclusive Financial Specialist enrolled in my respective program and will be converting to an Exclusive Financial Specialist or Exclusive Agent contract, do I need to enroll again?

No, if you are currently enrolled in the Employee Agents, Exclusive Agents or Exclusive Financial Specialists program and are converting to either an Exclusive Agent or Exclusive Financial Specialist contract within the same policy period, you do not need to

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions

October 1, 2014 to October 1, 2015

17. **If I am currently an Employee Agent, Exclusive Agent or Exclusive Financial Specialist enrolled in my respective program and will be converting to an Exclusive Financial Specialist or Exclusive Agent contract, do I need to enroll again? (continued)**

enroll again. Your coverage will be transferred to your new agent number automatically. There will be no adjustment of premium for the current policy period. At the annual program renewal, you will pay the premium that corresponds to your current contract and coverage elections.

18. **If I move to another state or open a second (satellite) location during the policy, do I need to purchase another policy?**

No, under the Allstate Group Sponsored Errors And Omissions Program, you, the Exclusive Agent are the Named Insured. Any business entity engaging in Professional Services, which is owned or controlled by the Named Insured is also covered under the same policy for no additional premium. See policy or call CalSurance Associates for additional coverage details at (888) 734-6457.

19. **Will my E&O policy extend to the Allstate banking activities in which Allstate authorizes me to participate?**

Yes. As long as you are acting within the parameters of the program using approved products. The policy has been specifically amended to provide coverage for "authorized non-insurance products on behalf of Allstate Insurance Company and/or its subsidiaries and affiliates". Please note that certain activities may be excluded from coverage such as mortgage banking and services related to the solicitation or servicing of loans. Refer to the Exclusions section of the Policy for more details.

20. **How will my E&O policy respond if I am named in a claim as a result of an act, error, or omission by the Customer Contact Center (CCC)?**

The policy will provide defense for the agent. However, the policy will NOT defend the Customer Contact Center (CCC). If the investigation shows that the CCC was liable for the error or omission, Allstate is responsible for resolving the claim. The Agent's E&O coverage will NOT pay any damages. Additionally, if a claim file is opened and defense is provided, you will not be required to pay the deductible since the policy has a "damages only" deductible provision.

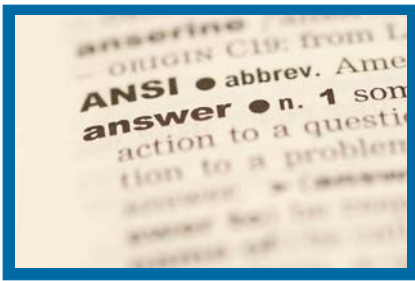
21. **Does my Exclusive Agency Agreement provide indemnification to me as an agent for errors and omissions made by the CCC?**

Yes. Under the Exclusive Agency Agreement, Allstate will defend and indemnify an agent against liability, including the cost of defense and settlements, imposed on the agent by law for damages sustained by policyholders and caused by acts or omissions of the CCC. The indemnification applies as long as the agent has not caused or contributed to the error or omission.

22. **How do I obtain coverage for my staff? Do they need to be licensed?**

This policy provides coverage for all employees, leased employees, and temporary employees (unlicensed and licensed) assisting you with insurance activities. This policy also provides coverage for Sales Producers who conduct sales and/or servicing activities on your behalf. Coverage is predicated on individuals being licensed if required by the jurisdiction in which they provide services.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

23. What happens if my Exclusive Agency Agreement is terminated during the policy period?

Coverage automatically ceases on the date your Exclusive Agency Agreement terminates. An automatic Extended Reporting Period is provided for one (1) year following the date of termination without any additional cost to the Agency. However, in the event your Exclusive Agency Agreement terminates and you subsequently submit a written request for cancellation and a short rate refund of premium, the automatic one (1) year Extended Reporting Period shall be reduced to ninety (90) days from the date of your Exclusive Agency Agreement termination. Extended Reporting Periods provide coverage for claims first made during the Extended Reporting Period arising out of acts, errors, omissions or Personal Injuries that took place prior to the termination date of your Exclusive Agency Agreement, but after your retroactive date.

The automatic one (1) year ERP shall also be shortened to ninety (90) days in the event you have terminated and failed to pay the full premium.

Upon contract termination you will also have the option of purchasing a Five (5) Year or Unlimited ERP within sixty (60) days of the termination date of your Exclusive Agency Agreement. The automatic one (1) year or ninety (90) day ERP is in lieu of and not in addition to any optional ERP.

In the following termination circumstances:

- Loss of any required agent license of Agent or Key Person;
- Dissolution of the agency;
- Key Person ceases to be employed by the Agent or agency, ceases to be a partner in the agency or is no longer actively involved in the conduct of business of the Agent or at the agency sales location;
- Cause; or
- Death or Permanent Incapacitation.

Coverage will cease on the date of A. or B. below, whichever occurs first:

- A. Once the sale of the agency is completed; or
- B. Once the Agent, Agent's legal representative, the Key Person, or the corporation/LLC/partnership elects to exercise the termination payment option under the Agent or Agency Agreement and the Agent or Agency ceases any further conduct of business for Allstate Insurance Company and/or its Subsidiaries and Affiliates.

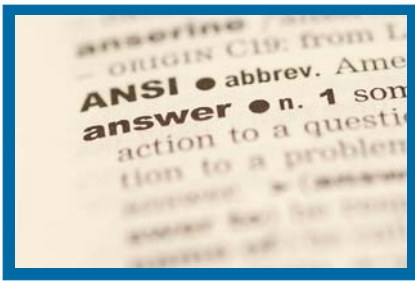
If coverage should extend beyond the annual Policy Period, the Agent, the Agent's legal representative, the Key Person, or the Corporation/LLC/Partnership shall be required to pay the full premium due for the next annual Policy Period.

24. What happens if I leave the insurance business?

In addition to the automatic one (1) year or ninety (90) day Extended Reporting Period (whichever is applicable), you or your legal representative are eligible to purchase an Extended Reporting Period within sixty (60) days of the termination date of your Exclusive Agency Agreement. Optional Five (5) Year or Unlimited Extended Reporting Periods are offered for an additional premium of 200% or 500% of the agent's last annual premium (annual premium must also include any additional premium attributable to Series 7 or EPLI endorsements).

The five (5) year Extended Reporting Period is inclusive of the automatic one (1) year or ninety (90) day ERP (whichever is applicable), and not in addition to it.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions

October 1, 2014 to October 1, 2015

24. What happens if I leave the insurance business? (continued)

Payment should accompany the ERP Election Form and must be received by CalSurance Associates within sixty (60) days of the termination date of your Exclusive Agency Agreement. The ERP Election Form can be obtained on the CalSurance Associates website (www.calsurance.com/allstateagent) or by calling CalSurance Associates Customer Service at (888) 734-6457.

25. What happens if I sell my agency?

The Seller has the option to purchase an Extended Reporting Period (as noted in questions 23 & 24).

In the event an Exclusive Agent, sells their book of business to an Approved Buyer, the Approved Buyer does not automatically assume the coverage that the Seller previously had. For coverage to pertain to the Approved Buyer, they must enroll under their own coverage and limits upon the purchase of the Sellers book of business. The premium that will be charged for the Approved Buyer will be pro-rated based on the effective date of enrollment.

If you are selling your agency to an immediate family member (mother, father, daughter, son, daughter-in-law, son-in-law, brother, sister or spouse) who is a "Current Named Insured," you the "Former Named Insured" shall receive an unlimited Extended Reporting Period for no additional premium. Former Named Insureds who are the recipient of such unlimited ERP are not eligible for a refund of their unearned premium under any circumstances.

Former Named Insured is defined as the seller of a business entity or book of business who was formerly an Agent or Key Person, who was party to an Allstate Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries or Affiliates.

Current Named Insured is defined as the purchaser of a business entity or book of business who is an Agent or Key Person who executes an Allstate Exclusive Agency Agreement with Allstate Insurance Company and/or its Subsidiaries or Affiliates.

26. Why should I consider purchasing an Extended Reporting Period?

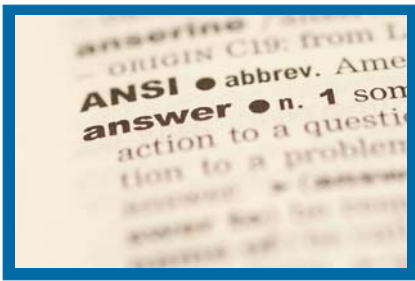
An Extended Reporting Period (commonly referred to as an ERP or Tail coverage) extends the time an agent has to report a claim after the last claims made and reported E&O policy expires. By electing an ERP and paying a one-time premium, the agent is able to continue to report claims to the insurance carrier without maintaining ongoing E&O coverage.

It is important to note that the ERP only applies to acts, errors, omissions, and Personal Injuries that occur after the agent's individual retroactive date and on or before the expiration date of the agent's last active claims made and reported policy. In other words, the ERP does not provide you with coverage for errors made after the agent's contract termination date. You should also be aware that the ERP does not increase the limits of liability of the last claims made and reported policy and the ERP can be voided if you obtain similar E&O coverage with another insurance carrier; however, the premium remains fully earned. In spite of these limitations, the ERP is very valuable, especially if you are retiring or changing professions.

27. Can the insurance company cancel my coverage?

Your coverage cannot be canceled by the insurance company unless the entire group coverage is canceled. American Automobile Insurance Company must provide Allstate with 120 days notice if it intends to cancel or non-renew the group policy.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

28. How will my E&O policy respond if I am named in a claim that I feel I have been wrongly accused of?

The policy is written to give the insurance company the right and duty to defend any claim or suit against you seeking damages to which this insurance applies, even if any allegations of the claim or suit are groundless, false, or fraudulent.

29. What is Employment Practices Liability coverage and is it available for me to purchase?

Employment Practices Liability Coverage (EPLI) provides limited coverage for claims resulting from Employment Related Wrongful Termination, Discrimination, Sexual Harassment and Workplace Torts, (retaliation, defamation, infliction of emotional distress, invasion of privacy, negligent evaluation, wrongful discipline, wrongful failure to employ or promote, or wrongful demotion). It is available for purchase during open enrollment. You may only purchase this coverage midterm if you are a newly contracted agent. Visit the CalSurance Associates website and enroll online for this coverage. Remember, it may not be purchased separately, and the coverage is subject to approval and/or underwriter review. Coverage must be applied for and approved annually and is not eligible for automatic renewal.

Please Note: This Employment Practices Liability Insurance is subject to separate limits of liability of \$1,000,000 Each Wrongful Act/\$1,000,000 Aggregate Each Agent. The \$2,500 deductible on claims involving Employment applies to the payment of both damages and defense.

30. Who do I contact if I need to make an address change?

Allstate retains three addresses on file for every agent. Please use the guidelines below to update your addresses as appropriate.

1. **Mailing Address:** Update through Agency Gateway and click on the MyInfo tab to update your information. Your 1099's and other compensation related items are sent to your mailing address.
2. **Home Address:** Update by calling (800)-340-0475 option 1 and option 2 or via email to AGTINQUIRY@Allstate.com. All eligible benefit communications are sent to your home address.
3. **Business Address:** Update through your Regional Agency Establishment Area. Your business address is listed on all customer correspondence.

Please note that your Mailing address *may* be the same as either your Home *or* Business Address; however, your Business Address *and* Home Address may *not* be the same. **If you have any questions, please call (800)-340-0745.** Note: CalSurance Associates stores the Agent's Business Address in their database.

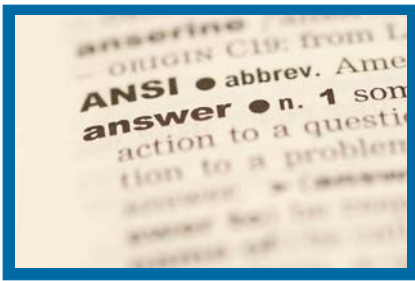
31. How do I report a claim?

The agent has the following duties in the event of a claim or suit:

1. As soon as practicable, give the Insurance Company written notice.
2. Immediately forward every demand, notice, summons or other process received to:

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

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.



Allstate Exclusive Agents Errors & Omissions Frequently Asked Questions October 1, 2014 to October 1, 2015

31. How do I report a claim? (continued)

3. Cooperate with the Insurance Company and do whatever necessary to secure and effect any rights of indemnity, contribution or apportionment.
4. The Insured cannot demand or agree to arbitration of any claim nor make payment, admit any liability, settle any claims, assume any obligation or incur any expenses without the written consent of the Insurance Company.

32. Is there a penalty for missing the enrollment deadline?

Renewing agents who fail to enroll by the enrollment deadline will be submitted to Allstate for commission deduction. The full premium amount, plus a processing fee of 25% of the full premium amount will be deducted from agent commissions pursuant to the terms of the Agency Agreement.

Newly contracted agents enrolling midterm will be charged the pro-rated premium due based on their date of contract.

33. Is my coverage affected if I am submitted to Allstate for commission deduction and subsequently terminated before my full premium due is collected?

Yes, if the full premium is not collected by Allstate via commission deduction, the terminated agent's automatic ERP will be shortened to ninety (90) days from the Agent's date of termination.

34. Can I use my Executive Advantage Card to enroll?

No, the Executive Advantage Card is not an accepted method of payment. However, you may pay in full by Visa, MasterCard, American Express or Discover. You may also pay in full or by installments via ACH. ACH installments are scheduled for date of enrollment, October 1st and November 3rd.

Note: A \$7.50 per installment charge applies to the installment option. Agents who enroll on or after September 22nd will have their premium divided into two payments: date of enrollment and November 3rd (not applicable to New York Agents).

35. Do I have coverage for a data breach event?

Yes, your policy covers both electronic and non-electronic data breaches. Coverage includes, but is not limited to damages related to the accidental release of confidential or personal information, identity theft monitoring services, and expenses associated with compliance of government mandated orders (such as, but not limited to the Health Insurance Portability and Accountability Act (HIPAA) & Health Information Technology for Economic and Clinical Health (HITECH) Acts). The deductible for such claims shall be \$1,000 per claim for events involving a product of Allstate Insurance Company and/or its Subsidiaries and Affiliates; \$5,000 for events involving an Expanded Market product and/or service. The deductible for events involving products of both Allstate and Expanded Markets shall be \$1,000.

This document is a summary of the coverage provided. All statements contained herein are subject to all the terms, conditions and exclusions of the actual policy. Different coverage terms may apply to Insureds who are domiciled or operate their business in the state of New York. Please refer to the policy and endorsements for full details.