

WHAT TO DO IN THE EVENT OF A CLAIM OR POTENTIAL CLAIM

Markel American Insurance Company appointed Lancer Claims Services, A Division of Brown & Brown Program Insurance Services, Inc. as the administrator of all Claims that occur under the Penn Mutual sponsored Agents' Professional Liability Policy. Lancer Claims Services handles only professional liability claims.

1. For questions regarding reporting a Claim, potential claim or for help in determining if you need to report a circumstance, please contact:

Lancer Claims Services, A Division of Brown & Brown Program Insurance Services, Inc.

(800) 821-0540

or

firstreports@calsurance.com

2. As soon as you are aware of an E&O claim or circumstances that may lead to a claim, you should immediately report the claim or potential claim to Lancer Claims Services. Visit <https://www.calsurance.com/report-a-claim/> for more info. All Claims should be reported through the above link or via one of the following methods:

Electronically: FirstReports@CalSurance.com

Phone: 1-800-821-0540

Via Mail: First Reports Desk

Lancer Claims Services, a Division of Brown & Brown Program Insurance Services, Inc.

681 S. Parker Street, Suite 300

Orange, CA 92868

The toll free number is (800) 821-0540, ext. 653

*****If the Claim involves a Penn Mutual product or a sale through HTK, you must also report it to the Penn Mutual/HTK Market Conduct area (866) 625-8504.*****

3. For all types of Claims it is important that you notify Lancer Claims Services **as soon as possible**. Please note that in litigation matters there may be a response time predetermined by a court or regulatory body. **In the event a lawsuit is brought against you:**
 - A. Immediately (within 24 hours upon being served with a summons and complaint or a FINRA Statement of Claim) notify Lancer Claims Services **by telephone** of the circumstances.
 - B. Immediately forward to Lancer Claims Services at the above address, by priority mail, copies of any written demand, notice, summons or other process you have received. If the claim involves a Penn Mutual product or a sale through HTK, please send a copy of the Complaint to Penn Mutual/HTK as well.
 - C. Do **not** engage your own attorney without specific authorization from Lancer Claims Services.

- D. Do **not** contact the claimant directly, make any admission of liability, assume any obligation, make any payment, incur any expenses or agree to arbitration without the consent of Lancer Claims Services.
 - E. As soon as practicable thereafter, send any other information that may be requested by Lancer Claims Services to the above addresses.
- 2. During the evaluation and settlement of your Claim, continue to cooperate with Lancer Claims Services by:
 - A. Meeting with representatives of Markel American Insurance Company;
 - B. Attending hearings, depositions and trials; and
 - C. Assisting in effecting settlement, securing and giving evidence, and obtaining the attendance of witnesses in the conduct of the suit.
 - 3. In every case, once the situation has been identified as an errors and omissions Claim, great care should be exercised to avoid any disclosures or discussions of any facts or information relating to the Claim with anyone other than **CalSurance®**, Lancer Claims Services, Markel American Insurance Company, the law, market conduct or risk management divisions of Penn Mutual/HTK or a designated representative appointed to handle your Claim.
 - 4. Please remember that a Claim does not need to be valid to be made against you. Very frequently Claims without merit are pursued. Since these Claims require a defense, you should be prepared to report them to Lancer Claims Services as soon as you become aware of circumstances which lead you to believe that there will be a Claim made against you. You need not wait until the Claim is actually made.
 - 5. The Insurer has the right and duty to defend any Claim to which this insurance applies. The Insurer may investigate and, with your consent, settle any Claim it deems expedient. If you refuse to consent to any settlement or compromise recommended by the Insurer that is acceptable to the claimant, the Insurer's duty to defend you shall cease. You may, at your own expense, continue to negotiate and/or defend such Claim independently. However, the Insurer's liability shall not exceed the amount for which the Claim could have been settled or compromised, plus the amount of Defense Costs incurred by the Company prior to your refusal to consent to settlement.
 - 6. If the Aggregate/Each Named Insured Limit of Liability is exhausted by any settlement or judgment of any Claim, the Insurer's obligation under this Policy shall be terminated.