

SERFF Tracking Number: AGNY-125286657 State: Arkansas
 Filing Company: National Union Fire Insurance Company of Pittsburgh, Pa. State Tracking Number: AR-PC-07-026296
 Company Tracking Number: AIC-07-EO-20
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
 Product Name: Insurance Agents & Brokers Professional Liability Program
 Project Name/Number: Insurance Agents & Brokers Professional Liability Program/AIC-07-EO-20

Filing at a Glance

Company: National Union Fire Insurance Company of Pittsburgh, Pa.
 Product Name: Insurance Agents & Brokers Professional Liability Program SERFF Tr Num: AGNY-125286657 State: Arkansas
 TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: AR-PC-07-026296
 Sub-TOI: 17.1019 Professional Errors & Omissions Liability Co Tr Num: AIC-07-EO-20 State Status:
 Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
 Authors: Jameka Harris, Jennifer Abrams Disposition Date: 11/06/2007
 Date Submitted: 10/02/2007 Disposition Status: Approved
 Effective Date Requested (New): 11/01/2007 Effective Date (New):
 Effective Date Requested (Renewal): 11/01/2001 Effective Date (Renewal):

General Information

Project Name: Insurance Agents & Brokers Professional Liability Program Status of Filing in Domicile: Pending
 Project Number: AIC-07-EO-20 Domicile Status Comments:
 Reference Organization: N/A Reference Number: N/A
 Reference Title: N/A Advisory Org. Circular: N/A
 Filing Status Changed: 11/06/2007
 State Status Changed: 10/03/2007 Deemer Date:
 Corresponding Filing Tracking Number:
 Filing Description:
 National Union Fire Insurance Company of Pittsburgh, Pa. submits for your review and approval its Insurance Agents' Professional Liability Policy Program (the "Program"). This Program provides individual professional liability insurance coverage to members of the State Farm Risk Management Group. Enclosed please find the State Farm Master Policy, Declarations Page, Declarations-Certification and endorsements to be used with this Program.

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Please refer to the attached Forms Listing for information about the forms included in this submission. Also included in this submission is an Explanatory Memorandum detailing the coverage offered under this Program.

This Program will be rated on an (a) rate basis.

Your favorable consideration and approval are respectfully requested.

Company and Contact

Filing Contact Information

Jameka Harris, Filings Analyst jameka.harris@aig.com
 175 Water Street, 17th Floor (212) 458-7056 [Phone]
 New York, NY 10038 (212) 458-7077[FAX]

Filing Company Information

National Union Fire Insurance Company of Pittsburgh, Pa.	CoCode: 19445	State of Domicile: Pennsylvania
70 Pine Street	Group Code:	Company Type:
New York, NY 10270	Group Name:	State ID Number:
(212) 770-7000 ext. [Phone]	FEIN Number: 25-0687550	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
National Union Fire Insurance Company of Pittsburgh, Pa.	\$0.00	10/02/2007	

SERFF Tracking Number: AGNY-125286657 State: Arkansas
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Pittsburgh, Pa.
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CHECK NUMBER	CHECK AMOUNT	CHECK DATE
00102891	\$50.00	09/25/2007

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	11/06/2007	11/06/2007

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Edith Roberts	10/10/2007	10/10/2007	Jameka Harris	10/10/2007	10/10/2007

Industry Response

SERFF Tracking Number: AGNY-125286657 State: Arkansas
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Disposition

Disposition Date: 11/06/2007

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Forms Listing	Approved	Yes
Supporting Document	Filing memorandum	Approved	Yes
Form	State Farm Policy	Approved	Yes
Form	Declarations Page	Approved	Yes
Form	Certification	Approved	Yes
Form	Investment Advisor Endorsement	Approved	Yes
Form	State Farm Financial Service Endorsement	Approved	Yes
Form	Employment Practices Endorsement	Approved	Yes
Form	Registered Representative Endorsement	Approved	Yes
Form	Amendatory Endorsement - Arkansas	Approved	Yes
Form	Arkansas Cancellation Endorsement	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/10/2007
Submitted Date 10/10/2007
Respond By Date
Dear Jameka Harris,

This will acknowledge receipt of the captioned filing.

Please advise if the Extended Reporting Period is actually meant to be for sixty MONTHS rather than days. This is unusual and is not within the minimum standards requirements. AR Code Anno. 23-79-306 (1-6) mandates a basic 60 day free of charge ERP and upon request by the insured must offer an additional 1 year or more optional ERP. Please advise regarding this.

Thanks!

Please feel free to contact me if you have questions.

Sincerely,
Edith Roberts

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/10/2007
Submitted Date 10/10/2007

Dear Edith Roberts,

Comments:

Response 1

Comments: Yes, a free five year extended reporting period is automatically provided in the policy.

We hope this additional information will enable you to continue with a favorable review of our filing.

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Pittsburgh, Pa.

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Sub-TOI:

17.1019 Professional Errors & Omissions
Liability

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Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Jameka Harris, Jennifer Abrams

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	State Farm Policy	95369	8/07	Policy/Coverage Form	New	0.00	State Farm Policy - Form 95369.pdf
Approved	Declarations Page	95371	8/07	Declaration News/Schedule	New	0.00	State Farm Agent Master Policy Declarations - Form 95371.pdf
Approved	Certification	95370	8/07	Certificate	New	0.00	State Farm Agents Declarations - Certification - Form 95370.pdf
Approved	Investment Advisor Endorsement	95373	8/07	Endorsement/Conditions	New	0.00	Investment Advisor Endorsement - Form 95373.pdf
Approved	State Farm Financial Service Endorsement	95372	8/07	Endorsement/Conditions	New	0.00	State Farm Financial Service Endorsement - Form 95372.pdf
Approved	Employment Practices Endorsement	95374	8/07	Endorsement/Conditions	New	0.00	Employment Practices Endorsement

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Approved	Registered	95375	8/07	Endorsement/Amendment/Conditions	0.00	t - Form 95374.pdf
Approved	Registered Representative Endorsement	95375	8/07	Endorsement/Amendment/Conditions	0.00	Registered Representative Endorsement - Form 95374.pdf
Approved	Amendatory Endorsement - Arkansas	95232	8/07	Endorsement/Amendment/Conditions	0.00	AR Amendatory - State Farm - 95232.pdf
Approved	Arkansas Cancellation Endorsement	83675	11/03	Endorsement/Amendment/Conditions	0.00	AR-83675.pdf

**SINGLE COMPANY OR COMPANY GROUP REPRESENTATION
INSURANCE AGENTS' PROFESSIONAL LIABILITY POLICY**

In consideration of the payment of the premium, and in reliance upon the statements in the application and Declarations attached hereto and made a part hereof, and subject to the limits of liability stated in Item 4 of the Declarations and the terms and conditions contained herein, the Company hereby agrees as follows:

INSURING AGREEMENTS

1. ERRORS AND OMISSIONS

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages resulting from any claim or claims first made against the Insured and reported in writing to the Company during the Policy Period for any Wrongful Act of the Insured, but only if such Wrongful Act occurs during or prior to the Policy Period and solely in rendering or failing to render professional services for others for a fee:

- a. in the Insured's capacity as an Insurance Agent or Notary Public for State Farm Mutual Automobile Insurance Company, or any Affiliate thereof, in providing insurance pursuant to a governmental plan designed to provide insurance for those unable to obtain insurance in the voluntary market, or, subject to the agreement of the Company, a governmental plan to depopulate any such residual market;
- b. in the rendering of or failure to render any sale or service to others for a fee in the Insured Agent's capacity as such for any other insurance company or business entity with which State Farm Mutual Automobile Insurance Company or any Affiliate thereof has authorized the Insured Agent to place coverage; or
- c. in the Insured's capacity as an Insurance Agent or Notary Public for State Farm Mutual Automobile Insurance Company, or any Affiliate thereof, in the event that the Insured has exceeded his/her written authority as established by State Farm Mutual Automobile Insurance Company or any Affiliate thereof at the time of the Wrongful Act.

It is understood and agreed that under no circumstances shall State Farm Mutual Automobile Insurance Company or any Affiliate thereof be deemed an Insured under this policy.

2. DEFENSE COSTS, CHARGES & EXPENSES (INCLUDED IN THE LIMITS OF LIABILITY)

With respect to any such Wrongful Act for which insurance is afforded by this policy under Insuring Agreement 1 above, the Company shall, as part of and subject to the limits of liability:

- a. have the right and duty to defend any suit brought against the Insured seeking damages on account of a Wrongful Act, even if such suit is groundless, false or fraudulent, but the Insured shall not admit liability for or settle any claim or suit or incur any cost, charge or expense without the written consent of the Company, and the Company shall have the right to make such investigation and conduct negotiations and, with the written consent of the Insured, enter into such settlement of any claim or suit as the Company deems expedient.

If the Insured refuses to consent to any settlement recommended by the Company and acceptable to the claimant, the Company's duty to defend the Insured shall then cease and the Insured shall thereafter at his own expense negotiate or defend such claim or suit independently of the Company and the Company's liability shall not exceed the amount of damages for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs, charges and expenses incurred by the Company, and defense costs, charges and expenses incurred by the Insured with the Company's written consent up to date of such refusal.

The Company shall not be obligated to pay any claim or judgment or to defend or continue to defend any suit after the applicable limit of the Company's liability has been exhausted by payments of judgments and/or settlements and/or other items included within the limits of liability.

- b. Pay all expenses incurred by the Company in any suit defended by the Company and brought against the Insured alleging a Wrongful Act, all costs taxed against the Insured in any such suit, and all interest on the entire amount of any judgment therein which accrues after entry on the judgment and before the Company has paid, tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon.
- c. Pay all premiums on appeal bonds required in any suit defended by the Company and brought against the Insured alleging a Wrongful Act, and/or premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this policy, but without any obligation to apply for or furnish any such bonds.
- d. Pay all reasonable expenses, other than loss of earnings, incurred by the Insured at the Company's request.

DEFINITIONS

1. **Affiliate** means: (i) any entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is in common control with, State Farm Mutual Automobile Insurance Company; or (ii) any entity that directly, or

indirectly through one or more intermediaries, is a successor in interest to State Farm Mutual Automobile Insurance Company.

2. **Declarations/Certificate** means the certificate of insurance issued to Insured Agents by the Insureds' Representative.
3. **Insured** means any **Insured Agent** solely while acting within the scope of his duties as such.
4. **Insured Agent** means:
 - a. any natural person who is (i) a licensed life, or accident and health insurance agent, or property and casualty, or general agent under contract with State Farm Mutual Automobile Insurance Company and any Affiliate thereof; and (ii) issued a Declarations/Certificate by the Insureds' Representative;
 - b. any corporation, partnership, or other business entity which is either owned or controlled by a natural person in 4.a above or in which a natural person in 4.a above is an employee and then only with respect to those operations of the corporation, partnership or other business entity directly related to the actual or alleged Wrongful Act of the natural person in 4.a above. Furthermore, this extension shall not afford coverage for any actual or alleged Wrongful Act of the corporation, partnership, or other business entity, but shall only apply to Claim(s) or Class Action suit arising out of any actual or alleged Wrongful Act(s) of a natural person in 4.a above;
 - c. any natural person who was or is a partner, officer, director or employee of 4.a or 4.b above solely while acting within the scope of his/her duties as such.
5. **Insureds' Representative** means SF Risk Management Group
6. **Master Policy** means policy #[insert policy number] issued by the Company to the Insureds' Representative, with a Policy Period shown in Item 3 of the Declarations
7. **Policy Period** means the period from the inception date of this policy shown in Item 3 of the Declarations to the earlier of the expiration shown in Item 3 of the Declarations or the effective date of cancellation of the Master Policy.
8. **Wrongful Act** means any actual or alleged:
 - a. negligent act, error or omission; or
 - b. false arrest, detention or imprisonment; or

- c. the publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's right of privacy; or
- d. wrongful entry or eviction or other invasion of the right of private occupancy; or
- e. rendering of or failure to render any sale or service to others for a fee in the Insured Agent's capacity as such for State Farm Mutual Automobile Insurance Company and any Affiliate thereof pursuant to a government plan designed to provide insurance for those unable to obtain insurance in the voluntary market, or, subject to the agreement of the Company, a governmental plan to depopulate any such residual market; or
- f. rendering of or failure to render any sale or service to others for a fee in the Insured Agent's capacity as such for any other insurance company or business entity that State Farm Mutual Automobile Insurance Company or any Affiliate thereof has authorized the Insured Agent to place coverage.

EXCLUSIONS

This policy does not apply:

- a. to any claim alleging fraud, dishonesty, criminal or malicious acts or omissions; however, if such allegations are subsequently disproven by a final adjudication favorable to the Insured, then the Company shall reimburse the Insured for all reasonable defense costs, charges and expenses which could have been collectible under this policy; provided, however, that this exclusion shall not apply to allegations other than fraud, dishonesty, criminal or malicious acts or omissions;
- b. to any claim alleging discrimination;
- c. to any claim for or alleging bodily injury to, or sickness, disease or death of any person, or damage to or destruction of any property, including the loss of use thereof.
- d. to any claim seeking non-pecuniary relief;
- e. to any claim based upon, arising out of, due to or involving directly or indirectly, the insolvency, receivership, bankruptcy, liquidation or financial inability to pay, of any insurance company in which the Insured has placed or obtained any insurance or bond;
- f. to any claim brought about or contributed to by any commingling of funds or accounts, nor to any claim for sums received by any Insured or credited to any Insured's account nor to any claim for fees, premiums, taxes, commissions or brokerage monies;

- g. to any Wrongful Act committed prior to the beginning of the Policy Period, if on or before the inception date of this policy any Insured knew or could have reasonably foreseen that such Wrongful Act did or could lead to a claim or suit;
- h. to any claim arising out of the activities of any Insured in regard to any "employee pension benefit plan" and/or "employee welfare benefit plan", as those terms are defined in the Employee Retirement Income Security Act of 1974, as amended, sponsored by any Insured or any firm which any Insured owns or controls, or in regard to any such plan in which any Insured is a participant or a named fiduciary as that term is used under the Employee Retirement Income Security Act of 1974 as amended;
- i. to any claim arising out of or connected with the performance or failure to perform services for any person or entity:
 - 1) which is owned by or controlled by any Insured; or,
 - 2) which owns or controls any Insured; or,
 - 3) which is affiliated with any Insured through any common ownership or control; or,
 - 4) in which any Insured is a director, officer, partner, or principal stockholder;

However, with respect to 4), this exclusion shall not apply to any not for profit organization

- j. to any claim arising directly or indirectly out of any actual or alleged discharge, dispersal, release, escape, or use of asbestos, toxic substances or pollutants, including but not limited to any failure to effect and maintain insurance or bond with respect thereto; provided, however, that this exclusion shall not apply with respect to an Insured Agent's Wrongful Act(s) in the placement or failure to place products covering mold contamination;
- k. to any claim brought by one Insured under this policy against another Insured;
- l. to fines, penalties, or punitive, exemplary or multiplied damages; however, only where permitted by law, this policy shall cover, subject to all the terms, conditions and exclusions contained herein, up to \$5,000 punitive, exemplary or multiplied damages, as part of and not in addition to the limits of the Company's liability otherwise afforded by this policy;
- m. to any Wrongful Act committed with knowledge that it was a Wrongful Act;
- n. to any claim arising out of notarized certification or acknowledgment of a signature without the physical appearance at the time of said notarization

before such notary public as Insured hereunder of the person who is or claims to be the person signing; and

- o. to any claim arising out of the marketing, solicitation or servicing of a policy or service issued by State Farm Mutual Automobile Insurance Company or any Affiliate thereof; provided that this exclusion shall not apply to Insuring Agreement 1.c;
- p. to any claim brought by State Farm Mutual Automobile Insurance Company or any Affiliate thereof against any Insured; provided that this exclusion shall not apply to Insuring Agreement 1.c; or
- q. to any claim where State Farm Mutual Automobile Insurance Company or any Affiliate thereof is jointly or severally liable as determined by a judicial determination or by agreement between the Company and State Farm Mutual Automobile Insurance Company or any Affiliate thereof; provided that this exclusion shall not apply to Insuring Agreement 1.c.

SPECIAL PROVISIONS

1. LIMITS OF LIABILITY

The limit of liability stated in the Declarations as applicable to "Each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts" is the limit of the Company's liability for all amounts payable hereunder in settlement or satisfaction of claims, judgments or awards and defense costs, charges and expenses arising out of the same Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts, without regard to the number of Insureds, claims, demands, suits or proceedings or claimants. If additional claims are subsequently made which arise out of the same Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts as claims already made and reported to the Company, all such claims, whenever made, shall be considered first made within the Policy Period or the extended reporting period in which the earliest claim arising out of such Wrongful Act was first made and reported to the Company, and all such claims shall be subject to one limit of liability.

The limit of liability stated in the Declarations as "Aggregate" is subject to the above provisions respecting "Each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts", the limit of the Company's liability for all amounts payable hereunder in settlement or satisfaction of claims, judgments or awards and defense costs, charges and expenses arising out of claims first made and reported to the Company during the Policy Period or during the extended reporting period. The aggregate limit of liability for the extended reporting period shall be part of, and not in addition to, the aggregate limit of liability for the policy.

The inclusion herein of more than one Insured shall not operate to increase the limits of the Company's liability.

Defense costs, charges and expenses, as well as amounts paid in settlement or satisfaction of claims, judgments or awards are subject to the applicable limits of liability. All defense costs, charges and expenses shall first be subtracted from the limit of liability with the remainder, if any, being the amount available to pay damages.

2. DEDUCTIBLE

The Company shall only be liable for those amounts payable hereunder in settlement or satisfaction of claims, judgments or awards which are in excess of the deductible stated in Item 5 of the Declarations. This deductible shall apply to each Wrongful Act and shall be borne by the Insured and remain uninsured. For purposes of the deductible, claims arising out of the same Wrongful Act or out of a series of continuous, repeated or interrelated Wrongful Acts shall be considered as arising out of one Wrongful Act, and only one deductible amount shall apply thereto.

3. LOSS PROVISIONS

The Insured or the Insureds' Representative shall, as a condition precedent to the availability of the rights provided under this policy, give written notice to the Company as soon as practicable during the Policy Period, or during the extended reporting period (if applicable), of any claim made against the Insured which the Insured reasonably expects to give rise to a claim for a Wrongful Act under this policy. Notice given by or on behalf of the Insured or Insureds' Representative to any authorized representative of the Company, with particulars sufficient to identify the Insured, shall be deemed notice to the Company.

4. SPECIAL REPORTING CLAUSE

If during the Policy Period or during the extended reporting period (if the right is exercised by the Insured in accordance with Provision 5), the Insured or Insureds' Representative shall become aware of any occurrence which may reasonably be expected to give rise to a claim against the Insured for a Wrongful Act which first occurs during or prior to the Policy Period, and provided the Insured or Insureds' Representative gives written notice to the Company during the Policy Period or the extended reporting period (if applicable) of the nature of the occurrence and specifics of the possible Wrongful Act, any claim which is subsequently made against the Insured arising out of such Wrongful Act shall be treated as a claim made during the Policy Period.

5. EXTENDED REPORTING PERIOD

If the Company or the Insureds' Representative shall cancel or refuse to renew this policy, the Insured shall have a period of sixty (60) months following the effective date of such cancellation or non-renewal (herein referred to as the extended reporting period) in which to give written notice to the Company of claims first made against the Insured during said sixty (60) month period for any

Wrongful Act committed during or prior to the Policy Period and otherwise covered by this policy.

GENERAL CONDITIONS

1. This policy only applies to Wrongful Acts committed in, and suits brought against the Insured in, the United States of America, its territories or possessions, or Canada.
2. All notices of claims, applications, demands or requests provided for in this policy shall be in writing and addressed to the Company's Administrative Offices, 175 Water Street, New York, N.Y. 10038, or any authorized agent of the Company
3. The Insureds' Representative, the Insured and State Farm Mutual Automobile Insurance Company or any Affiliate thereof shall cooperate with the Company and, upon the Company's request, assist in making settlements, in the conduct of suits or proceedings, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured. The Insureds' Representative, the Insured and State Farm Mutual Automobile Insurance Company or any Affiliate thereof shall attend hearings, trials and depositions and shall assist in securing and giving evidence and obtaining the attendance of witnesses. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense.
4. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Company. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the Insured to determine the Insured's liability nor shall the Company be impleaded by the Insured or his legal representative.
5. In the event of any payment under this policy, the Company shall be subrogated to all the Insured's rights of recovery therefor, and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing to prejudice such rights. Any amount recovered in excess of the Company's total payment shall be restored to the Insured, less the cost to the Company of recovery.
6. Such insurance as is provided under this policy shall apply only as excess over any other valid and collectible insurance.

7. The Master Policy may be cancelled by the Insureds' Representative by surrender of the Master Policy to the Company or by giving written notice to the Company stating when thereafter such cancellation shall be effective. Any Declarations/Certificate may be cancelled by an Insured Agent by surrender of the Declarations/Certificate to the Insureds' Representative or by giving written notice to the Insureds' Representative stating when thereafter such cancellation shall be effective. For this limited purpose only, receipt of either Declarations/Certificate or notice of cancellation by the Insureds' Representative shall be deemed to be receipt by the Company. The Master Policy may also be cancelled by the Company by mailing to the Insureds' Representative by registered, certified, or other first class mail, at the Insureds' Representative's address shown in Item 1 of the Declarations, written notice stating when, not less than thirty (30) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and both the Master Policy and this policy shall terminate at the date and hour specified in such notice. If the Master Policy shall be cancelled by the Insureds' Representative, the Company shall retain the customary short rate proportion of the premium hereon. If the Master Policy shall be cancelled by the Company, the Company shall retain the pro rata proportion of the premium hereon. Payment or tender of any unearned premium by the Company shall not be condition of cancellation, but such payment shall be made as soon as practicable.
8. Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; however, subject otherwise to the terms hereof, this policy shall cover the estate, heirs, legal representative or assigns of the Insured in the event of the Insured's death, bankruptcy, insolvency or being adjudged incompetent.
9. Bankruptcy or insolvency of the Insured or the Insured's estate shall not relieve the Company of any obligation hereunder.
10. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy and signed by an authorized representative of the Company.
11. The Insureds' Representative shall be the sole agent of all Insureds hereunder for the purpose of effecting or accepting any amendments to or cancellation of this policy, for the payment of premium and the receipt of any return premiums that may become due under this policy, and the exercising or declining to exercise any right to an extended reporting period.



Member Companies of American International Group, Inc.®

- American International South Insurance Company
- Illinois National Insurance Co.
- National Union Fire Insurance Company of Pittsburgh, Pa.
(each of the above being a capital stock company)

**SINGLE COMPANY OR COMPANY GROUP REPRESENTATION
INSURANCE AGENTS' PROFESSIONAL LIABILITY POLICY**

NOTICE:

THIS IS A CLAIMS MADE AND REPORTED POLICY. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD, OR EXTENDED REPORTING PERIOD, IF APPLICABLE, AND WHICH ARE REPORTED TO THE COMPANY IN WRITING PURSUANT TO THE TERMS HEREIN. PLEASE READ THIS POLICY CAREFULLY AND REVIEW ITS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

THE POLICY PROVIDES THAT THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

Policy Number:

Replacement of
Policy Number:

DECLARATIONS

ITEM 1	INSUREDS' REPRESENTATIVE:
	MAILING ADDRESS:
ITEM 2	Name of Insurance Company, or Group of Insurance Companies under common financial control, represented:
ITEM 3	POLICY PERIOD: From: To: 12:01 A.M. standard time at the address stated in Item 1
ITEM 4	LIMITS OF LIABILITY: \$

	Each Insured Agent shall be subject to the Limits of Liability set forth on the Declarations/Certificate that is issued to such Insured Agent. The Aggregate Limit of Liability for the Master Policy shall be the sum of the Limits of Liability issued to all Insured Agents under the Master Policy, as evidenced by the schedule of Insured Agents that is maintained by the Insureds' Representative and sent to the Insurer on a monthly basis.
ITEM 5	DEDUCTIBLE: \$
	Each Insured Agent shall be subject to Deductible amount set forth on the Declarations/Certificate that is issued to such insured Agent.
ITEM 6	(a) TOTAL PREMIUM: \$
	(b) PREMIUM (DELAWARE ONLY): \$
ITEM 7	NAME AND ADDRESS OF INSURER (herein "the Company"): This policy is issued only by the insurance company indicated in this Item 7.

IN WITNESS WHEREOF, the Company has caused this policy to be signed on the Declarations by its President, a Secretary and its duly authorized representative.

PRESIDENT

SECRETARY

AUTHORIZED REPRESENTATIVE

COUNTERSIGNATURE

DATE

COUNTERSIGNED AT

- American International South Insurance Company Illinois National Insurance Co.
 National Union Fire Insurance Company of Pittsburgh, Pa.
 (each of the above being a capital stock company)

**SINGLE COMPANY OR COMPANY GROUP REPRESENTATION
 INSURANCE AGENTS' PROFESSIONAL LIABILITY POLICY**

NOTICE:

THIS IS A CLAIMS MADE AND REPORTED POLICY. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD, OR EXTENDED REPORTING PERIOD, IF APPLICABLE, AND WHICH ARE REPORTED TO THE COMPANY IN WRITING PURSUANT TO THE TERMS HEREIN. PLEASE READ THIS POLICY CAREFULLY AND REVIEW ITS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

THE POLICY PROVIDES THAT THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

Master Policy Number:

Certificate Number:

DECLARATIONS/CERTIFICATE

ITEM 1	INSURED AGENT: MAILING ADDRESS:
ITEM 2	Name of Insurance Company, or Group of Insurance Companies under common financial control, represented:
ITEM 3	POLICY PERIOD: From: To: 12:01 A.M. standard time at the address stated in Item 1
ITEM 4	LIMITS OF LIABILITY:
	(A) \$ each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts
	(B) \$ Aggregate
ITEM 5	DEDUCTIBLE:
	\$ each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts
ITEM 6	PREMIUM: \$

ITEM 7

**NAME AND
ADDRESS OF INSURER** (herein "the Company"):

This policy is issued only by the insurance company indicated in this Item 7.

SPECIMEN

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

INVESTMENT ADVISER ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that Insuring Agreements I: "Coverage" is amended to include the following:

INVESTMENT ADVISER REPRESENTATIVES COVERAGE

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages because of any claim or claims first made against the Insured and reported in writing to the Company during the Policy Period or the Extended Reporting Period (if applicable) arising out of any actual or alleged Wrongful Act committed by the Investment Adviser Representative solely while acting in his/her capacity as such.

Under this policy the term Insured or Named Insured shall also include the Investment Advisor Representative as herein defined.

For the purposes of this endorsement the following definition shall apply:

"Investment Adviser Representative" means an individual who has met all requirements necessary to be certified as a Certified Financial Planner™ by the Certified Financial Planners Board of Standards, maintained proper state registration as an Investment Adviser Representative, and met other requirements as established by State Farm Mutual Automobile Insurance Company or any Affiliate thereof.

The coverage afforded by this Amendatory Endorsement shall be subject to the Limit of Liability indicated in Item 4 of the Declarations page and in no way serves to increase such Limit of Liability.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

STATE FARM FINANCIAL SERVICE ENDORSEMENT COVERAGE

State Farm Bank, F.S.B.

In consideration of the premium charged, it is hereby understood and agreed that Insuring Agreements I: "Coverage" is amended to include the following:

STATE FARM FINANCIAL SERVICE COVERAGE

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages because of any claim or claims first made against the Insured and reported in writing to the Company during the Policy Period or the Extended Reporting Period (if applicable) arising out of any actual or alleged Wrongful Act committed by the Insured in connection with the placement of business with State Farm Bank, F.S.B., ("Bank") when such activities are undertaken as part of the Insured's professional services for others in his or her capacity as a Bank agent or an Insurance Agent for the Insurance Company or Companies named in the declarations made a part hereof.

For the purposes of this endorsement the following definitions shall apply:

- i. "Wrongful Act" means any actual or alleged negligent, act, error, or omission.
- ii. "Placement of business with State Farm Bank, F.S.B.," shall include, but is not limited to, the following:
 - a. creating customer awareness and explaining the features of Bank Products
 - b. undertaking functions that assist customers in completing/submitted applications for Bank Products
- iii. "Bank Products" are any and all banking products and services now or hereafter offered by the Bank, including, but not limited to, the following:
 - a. Deposit Products (business or individual):
 - Money Market Accounts;
 - Certificates of Deposit (CDs);
 - Saving Accounts;
 - Checking Accounts;
 - Health Savings Accounts;
 - Individual Retirement Accounts; or
 - Coverdell Education Savings Accounts.

b. Loan Products:

Home Loans;
Home Equity Loans/Lines of Credit;
Consumer Loans;
Credit Cards and other financial cards; or
Business/Commercial Loans.

It is further agreed that any Insured covered by virtue of this endorsement must be in compliance with any certification and/or licensing requirements, specific as to a particular Bank Product, if he or she is providing professional services in a state or other jurisdiction where the State deems such certification and/or license is mandatory.

Furthermore, solely with respect to coverage granted by this Amendatory Endorsement, the following exclusions will apply:

This policy does not apply:

1. to any claim arising out of the following functions if performed by the Insured:

- opening of deposit accounts;
- acceptance of deposits or deposit payments by cash, check or cash checks*;
- arranging transfers between or withdrawals from customers' accounts;
- the review, consideration, approval or denial of loan applications or any other loan underwriting functions, including closings;
- acceptance of loan payments*

[* An Insured may mail customers' deposits and loan payments to the Bank at the request of customers and such service does not constitute acceptance of any such deposit or loan payments.]

2. to any claim arising out of the actual or alleged insolvency, receivership, bankruptcy, liquidation, or financial inability to pay, of any insurance company, broker/dealer, bank, banking firm, trust, investment vehicle or benefit plan; or

3. to any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act (as amended), 18 USC Section 1961 et seq., or any rules or regulations promulgated thereunder;

4. alleging, arising out of, based upon or attributable to any Wrongful Act occurring prior to September 1, 1997;

5. to any dispute over excessive, or for the return of, fees, commissions or other charges for any Insured's services; however, if the Insured is found not liable for these by a final adjudication favorable to the Insured, then

the Company shall reimburse the Insured for all reasonable Claims Expenses which would have been collectible under this policy;

6. to fines, penalties, punitive or exemplary damages, the multiplied portion of multiplied damages, or taxes;
7. to the Insured gaining any personal profit or advantage to which the Insured was not legally entitled, including but not limited to any actual or alleged commingling of funds or accounts;
8. to any claim brought by or on behalf of the Federal Deposit Insurance Corporation (FDIC), Office of Thrift Supervision (OTS) or any governmental authority or any self regulatory or regulator authority regardless of the capacity it is brought in, or brought by the successors or assigns of any of the aforementioned.

Furthermore, all other exclusions of this policy are incorporated by reference herein.

The coverage afforded by this Amendatory Endorsement shall be subject to the Limit of Liability indicated in Item 4. of the Declarations page and in no way serves to increase such Limit of Liability.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

EMPLOYMENT PRACTICES ENDORSEMENT COVERAGE

In consideration of the premium charged, it is hereby understood and agreed that coverage as is afforded by this policy is extended to Employment Practice Claims against an Insured (whether such claims are brought by a past, present or prospective Employee or Employees, whether directly or by class action, or by the Equal Employment Opportunity Commission (EEOC) or any other state or federal governmental authority regulating employment practices, or by any other person or entity) subject to both the terms, conditions and exclusions of this endorsement and the other terms, conditions and exclusions of the policy.

It is further understood and agreed that such coverage as is afforded hereunder shall be subject to a \$1,000,000 limit of liability per claim and per agent aggregate, inclusive of indemnity and claims expenses/ defense costs, and a \$5,000 deductible (applicable to both indemnity and claims expenses/ defense costs).

The coverage afforded by this endorsement shall be subject to the Limit of Liability indicated in Item 4. of the Declarations page and in no way serves to increase such Limit of Liability.

DEFINITIONS

It is understood and agreed that for the purposes of this endorsement only, the following definitions shall apply:

- (1) "Employment Practice Claims" shall mean any claim relating to a past, present or prospective Employee of an Insured for or arising out of any actual or alleged wrongful dismissal, discharge or termination, either actual or constructive, of employment; employment-related misrepresentation; wrongful failure to employ or promote; wrongful deprivation of career opportunity; wrongful discipline; failure to grant tenure or negligent Employee evaluation; sexual or workplace harassment of any kind (including the alleged creation of a harassing workplace environment); unlawful discrimination, whether direct, indirect, intentional or unintentional (to the extent permissible by the applicable law); or failure to provide adequate Employee policies and procedures.

Employment Practice Claims shall include claims brought under state, local or federal law (whether common or statutory) and shall include but not be limited to allegations of violations of the following federal laws (as amended) including regulations promulgated thereunder:

1. Family and Medical Leave Act of 1993,

2. Americans with Disabilities Act of 1992 (ADA),
 3. Civil Rights Act of 1991,
 4. Age Discrimination in Employment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990,
 5. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978,
 6. Civil Rights Act of 1866, Section 1981, and
 7. Fifth and Fourteenth Amendments of the U.S. Constitution.
- (2) "Employee" means an individual whose labor or service is engaged by and directed by an Insured. This includes part-time, seasonal and temporary Employees as well as an individual employed in a supervisory, managerial or confidential position. Independent contractors are not Employees.

The Company shall not be liable for that part of any settlement or judgment:

- (a) which constitutes benefits due or to become due or the equivalent value of such benefits;
- (b) which is based upon, arises from or is in consequence of the employment reinstatement of the claimant by an Insured or the continued employment of the claimant; or
- (c) which constitutes front pay, future damages or other future economic relief or the equivalent thereof, if an Insured has the option pursuant to a judgment or their final adjudication but fails to reinstate the claimant as an Employee.

EXCLUSIONS

It is understood and agreed that, as respects any coverage granted by virtue of this endorsement, the Company shall not be liable for and this policy and endorsement shall not apply to:

- (1) any claim or claims made against an Insured alleging, arising out of, based upon or attributable to any pending or prior litigation as of January 1, 1995 or the inception date of the first policy issued to the insured by the Company, whichever is later, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation;
- (2) any claim or claims made against an Insured for any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act committed prior to January 1, 1995 or the inception date of the first policy issued to the Insured by the Company, whichever is later, if any Insured (s), as of such date, knew or could have reasonably foreseen that such breach of duty, neglect,

error, misstatement, misleading statement, omission or act might be expected to be the basis of a claim or suit;

- (3) any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act, the National Labor Relations Act, the Worker Adjustment and Retaining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, rules or regulations promulgated thereunder and amendments thereto or similar provisions of any federal, state or local statutory law or common law;
- (4) any claim based upon, arising from, or in consequence of any actual or alleged obligation of any Insured pursuant to any workers' compensation, unemployment insurance, social security, disability benefits or similar law, provided, however, this exclusion shall not apply to any claim based upon, arising from, or in consequence of any actual or alleged retaliatory treatment of the claimant by an Insured on account of the claimant's exercise of rights pursuant to any such law;
- (5) any actual or alleged liability arising out of a lockout, strike, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations;
- (6) liability or costs incurred by an Insured to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person;
- (7) any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act based upon, arising from, or in consequence of the financial impairment of the policyholder or any Insured;
- (8) civil or criminal fines or penalties, non-monetary relief, punitive or exemplary damages including the multiplied portion of multiple damages, or matters which may be deemed uninsurable according to the applicable law pursuant to which this policy shall be interpreted; and
- (9) any claim made against an Insured by:
 - a. the spouse, ex-spouse, child (natural or adopted), grandchild (natural or adopted), parent, grandparent or sibling (having at least one parent in common naturally or by adoption) or an Insured or of an Insured's spouse or ex-spouse; or
 - b. the spouse, ex-spouse, child (natural or adopted) or sibling (having at least one parent in common naturally or by adoption) of any of the foregoing.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

REGISTERED REPRESENTATIVE ENDORSEMENT COVERAGE

In consideration of the premium charged, it is hereby understood and agreed that Insuring Agreement: I: "Coverage" is amended to include the following:

REGISTERED REPRESENTATIVE COVERAGE

To pay on behalf of the Registered Representative all sums which the Registered Representative shall become legally obligated to pay as damages because of any claim or claims first made against the Registered Representative and reported in writing to the Company during the Policy Period or the Extended Reporting Period (if applicable) pursuant to the terms of the policy for any actual or alleged Wrongful Act committed by the Registered Representative solely in respect to servicing, selling, or attempting to sell variable life insurance, variable annuities and/or mutual funds through State Farm VP Management Corporation (hereinafter called "SFVPMC").

Under this policy the term Insured or Named Insured shall also include Registered Representative as herein defined.

For the purposes of this endorsement the following definitions shall apply:

"Registered Representative" means an individual who is a Named Insured Agent with State Farm Insurance Company, is licensed with the National Association of Securities Dealers, Inc. (NASD), and who for compensation engages in the business of servicing, selling, or attempting to sell variable life insurance, variable annuities and/or mutual funds on behalf of SFVPMC. Furthermore, solely as respects coverage granted by virtue of this endorsement, the term "Registered Representative" shall be extended to include an employee of the Named Insured Agent, while acting within the scope of his/her duties as such on behalf of the Named Insured Agent, in the marketing, sale, attempted sale or servicing of variable life insurance, variable annuities and/or mutual funds through SFVPMC. The employee of the Named Insured Agent must also be licensed (Series 6) with the NASD to qualify for coverage under the terms of this endorsement. In the event coverage hereunder is applicable to an employee of a Named Insured Agent, the limits of liability available shall be part of, and not in addition to, the Named Insured Agent's Limits of Liability, as indicated in Item 4. of the Declarations Page

"Wrongful Act" means any actual or alleged negligent, act, error, or omission.

Furthermore, solely with respect to coverage granted by this Amendatory Endorsement, the following exclusions will apply to this policy:

This policy does not apply:

95375 (8/07)

1.

1. with respect to the giving of advice relating to or the sale of variable life insurance, variable annuities and/or mutual funds:
 - a. to any claim arising out of the actual or alleged insolvency, receivership, bankruptcy, liquidation, or financial inability to pay, of any insurance company or any benefit plan; or
 - b. to any actual or alleged rendering of or failure to render any actuarial services, or services involving structured settlement annuities, or service involving any pension, welfare or other benefit plan where the funding vehicle is other than insurance or an annuity issued by an insurance company;
2. to any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act (as amended), 18 USC Sections 1961 et seq., or any rules or regulations promulgated thereunder;
3. to any claim alleging, arising out of, based upon or attributable to any Wrongful Act occurring prior to June 1, 1997;
4. to any dispute over excessive, or for the return of, fees, commissions or other charges for any Insured's services; however, if the Insured is found not liable for these by a final adjudication favorable to the Insured, then the Company shall reimburse the Insured for all reasonable Claims Expense which would have been collectible under this policy;
5. to any actual or alleged trading or failing to trade in any market outside of the United States of America and its territories and possessions and Canada and its territories and possessions;
6. to any actual or alleged trading or failing to trade commodities, commodity futures contracts or any type of option contract;
7. to fines, penalties, punitive or exemplary damages, the multiplied portion of multiplied damages, or taxes;
8. to the Insured gaining any personal profit or advantage to which the Insured was not legally entitled, including but not limited to any actual or alleged commingling of funds or accounts;
9. to any claim brought by or on behalf of the Securities Investor Protection Corporation or any governmental authority or any self regulatory or regulator authority regardless of the capacity it is brought in, or brought by the successors or assigns of any of the aforementioned.

The coverage afforded by this Amendatory Endorsement shall be subject to the Limit of Liability indicated in Item 4. of the Declarations page and in no way serves to increase such Limit of Liability.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

This Endorsement, effective at 12:01 A.M. forms a part of

Policy No:

Issued To:

By:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT

ARKANSAS

This endorsement modifies insurance provided under the following:

SINGLE COMPANY OR COMPANY GROUP REPRESENTATION
INSURANCE AGENTS PROFESSIONAL LIABILITY POLICY

This policy is amended as follows:

1. Paragraph I) of the **EXCLUSIONS** Clause is amended by adding the following to the end thereof:

Punitive Damages are those damages imposed to punish a wrong doer or to deter others from similar conduct.

2. Paragraph 1. LIMITS OF LIABILITY of the **SPECIAL PROVISIONS** Clause is modified to the extent necessary to provide for the following:

Defense Costs shall be subject to an aggregate sublimit of liability which is equal to the Limit of Liability set forth in Item 4 of the Declarations for the policy period in effect at the inception of the policy. This sublimit of liability for defense costs shall be in addition to, and not part of, the Limit of Liability set forth in Item 4.

The Limit of Liability for the Extended Reporting Period shall be the greater of the amount of coverage remaining under the Limit of Liability for the expiring policy or fifty percent (50%) of the policy's aggregate Limit of Liability in effect at the inception of the policy period.

3. Paragraph 5. EXTENDED REPORTING PERIOD of the **SPECIAL PROVISIONS** Clause is modified to the extent necessary to provide for the following:

- A. The Insured shall be provided, upon written request, the following loss information within thirty (30) days of the Insured's written request and within fifteen (15) days after notice of cancellation or nonrenewal is issued:

- a. aggregate information in total for closed claims, including the date and description of any wrongful acts, and any paid losses;
- b. aggregate information in total for open claims, including the date, description of any wrongful acts, amount of any payments if any, and estimate of reserves if any; and
- c. any information on notice of any occurrence, including the date, description of any occurrence, and estimate of reserves if any.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE

ENDORSEMENT

This endorsement, effective _____ at _____

forms part of _____

Policy no.: _____ issued to: _____

By: _____

ARKANSAS AMENDATORY ENDORSEMENT
(Professional Liability, including Medical Malpractice)

Wherever used in this endorsement: 1) "Insurer" means the insurance company which issued this policy; and 2) "First Named Insured" and "Insured" mean the Named Corporation, Named Organization, Named Entity, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

The following is added and supercedes any provision to the contrary:

A. CANCELLATION

If this policy has been in effect for more than sixty (60) days or is a renewal policy, the Insurer shall not cancel this policy unless such cancellation is based upon at least one (1) of the following reasons:

- (a) Nonpayment of premium;
- (b) Fraud or material misrepresentation made by or with the knowledge of the Insured or Other Insured(s) in obtaining the policy, continuing the policy or in presenting a claim under the policy;
- (c) The occurrence of material change in the risk which substantially increases any hazard insured against after policy issuance;
- (d) Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against under the policy;
- (e) Nonpayment of membership dues in those cases where the by-laws, agreements or other legal instruments of the Insurer issuing the policy require payment thereof as a condition of the issuance and maintenance of the policy; or
- (f) A material violation of a material provision of the policy.

The Insurer may cancel this policy by mailing or delivering written notice stating the reason for cancellation to the First Named Insured and any lienholder or loss payee named in the policy at least:

- a. Ten (10) days before the effective date of cancellation if cancellation is due to nonpayment of premium.
- b. Twenty (20) days before the effective date of cancellation if cancellation is due to any other reason.

If cancellation is due to nonpayment of premium, notice should state the reason for cancellation.

B. NONRENEWAL

If the Insurer decides not to renew the policy, the Insurer shall mail written notice to the First Named Insured shown in the Declarations at least sixty (60) days before:

- (a) its expiration date; or
- (b) its anniversary date, if it is a policy written for a term of more than one year and with no fixed expiration date.

However, the Insurer is not required to send this notice if nonrenewal is due to the Insured's failure to pay any premium required for renewal.

The Insurer will mail its notice to the First Named Insured's last known mailing address. If notice is mailed, proof of mailing will be sufficient proof of notice.

C. NOTICE OF PREMIUM INCREASE

If the Insurer decides to increase current premium by twenty five percent (25%) or more upon renewal, the insurer shall notify the First Named Insured and agent prior to the effective date of the renewal.

Notice must be mailed or delivered to the First Named Insured's agent not less than sixty (60) days prior to the effective date of the renewal and to the First Named Insured not less than thirty (30) days prior to the effective date of renewal.

If notice is not given in the manner provided above, the Insurer shall extend the existing policy sixty (60) days from the date that such notice is mailed or delivered. The premium for the extended policy may not be more than the pro rata premium of the existing policy.

All other terms, conditions and exclusions remain unchanged.

AUTHORIZED REPRESENTATIVE

SERFF Tracking Number: AGNY-125286657 State: Arkansas
Filing Company: National Union Fire Insurance Company of State Tracking Number: AR-PC-07-026296
Pittsburgh, Pa.
Company Tracking Number: AIC-07-EO-20
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions
Liability
Product Name: Insurance Agents & Brokers Professional Liability Program
Project Name/Number: Insurance Agents & Brokers Professional Liability Program/AIC-07-EO-20

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 11/06/2007

Comments:

Attachment:

10-01-07- PCTD.pdf

Satisfied -Name: Forms Listing **Review Status:** Approved 11/06/2007

Comments:

Attachment:

State Farm Forms Listing.pdf

Satisfied -Name: Filing memorandum **Review Status:** Approved 11/06/2007

Comments:

Attachment:

EXPLANATORY MEMORANDUM - State Farm.pdf

Property & Casualty Transmittal Document (Revised 1/1/05)**1. Reserved for Insurance
Dept. Use Only****2. Insurance Department Use only**

a. Date the filing is received:

b. Analyst:

c. Disposition:

d. Date of disposition of the filing:

e. Effective date of filing:

New Business

Renewal Business

f. State Filing #:

g. SERFF Filing #:

h. Subject Codes

3.	Group Name	Group NAIC #		
	American International Group, Inc.	012		
4.	Company Name(s)	Domicile	NAIC #	FEIN #
	National Union Fire Insurance Company of Pittsburgh, Pa	PA	19445	25-0687550
5.	Company Tracking Number	AIC-07-EO-20		

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	Fax #	e-mail
	Jameka Harris 175 Water Street, 17 th Floor New York, NY, 10038	Filings Analyst	(212)458-7056	(212)458-7077	jameka.harris@aig.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Jameka Harris		

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	Commercial Other Liability			
10.	Sub-Type of Insurance (Sub-TOI)	17.0019 / Professional Errors and Omissions			
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]				
12.	Company Program Title (Marketing title)	Insurance Agents & Brokers Professional Liability Program			
13.	Filing Type Endorsement	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other			
14.	Effective Date(s) Requested	New:	November 1, 2007	Renewal:	November 1, 2007
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
16.	Reference Organization (if applicable)	N/A			
17.	Reference Organization # & Title	N/A			
18.	Company's Date of Filing	October 1, 2007			
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

Property & Casualty Transmittal Document---

20.	This filing transmittal is part of Company Tracking #	AIC-07-EO-20
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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The National Union Fire Insurance Company of Pittsburgh, Pa. submits for your review and approval its Insurance Agents' Professional Liability Policy Program (the "Program"). This Program provides individual professional liability insurance coverage to members of the State Farm Risk Management Group. Enclosed please find the State Farm Master Policy, Declarations Page, Declarations-Certification and endorsements to be used with this Program.

Please refer to the attached Forms Listing for information about the forms included in this submission. Also included in this submission is an Explanatory Memorandum detailing the coverage offered under this Program.

This Program will be rated on an (a) rate basis.

Your favorable consideration and approval are respectfully requested.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #:	00102891
Amount:	\$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Form Listing

	Form Title	Form No.	Form Type	New or Replacement	Form No. Being Replaced	Mandatory or Optional	Restricts, Broadens or Clarifies	Rate or Premium Impact
1	Master Policy Declarations Page	95371 (8/07)	D	New		Mandatory		No
2	Declarations-Certification	95370 (8/07)	D	New		Mandatory		Yes
3	Master Policy	95369 (8/07)	P	New		Mandatory		No
4	Employment Practices Coverage Endorsement	95374 (8/07)	E	New		Optional	B	Yes
5	Investment Advisor Endorsement	95373 (8/07)	E	New		Optional	B	No
6	Registered Representative Endorsement Coverage	95375 (8/07)	E	New		Optional	B	No
7	State Farm Financial Services Endorsement Coverage	95372 (8/07)	E	New		Optional	B	No
8	Amendatory Endorsement - Arkansas	95232 (8/07)	E	New		Mandatory		No
9	Arkansas Cancellation Endorsement	83675 (11/03)	E	New		Mandatory		No

Form Listing

A = Application
D = Declarations
E = Endorsement
P = Policy
O = Other (Please explain)

Yes or No

Form Listing

Description of Form
Master Policy Dec. Page
Certificate
Provides professional liability coverage to agents of State Farm.
Provides coverage for Employment Practices Claims.
Provides coverage for wrongful acts committed by an Investment Advisor solely while acting in his/her capacity as such.
Provides coverage for wrongful acts committed by the Registered Representative solely in respect to servicing, selling or attempting to sell variable life insurance, variable annuities and /or mutual funds through State Farm VP Management Corporation.
Provides coverage for wrongful acts committed by the Insured in connection with the placement of business with State Farm Bank when such activities are undertaken as part of the Insured's professional services for others in his or her capacity as a Bank agent or Insurance Agent.
Amendatory Endorsement
Cancellation/Non-renewal Endorsement

Form Listing

**EXPLANATORY MEMORANDUM
SINGLE COMPANY OR COMPANY GROUP REPRESENTATION
INSURANCE AGENTS' PROFESSIONAL LIABILITY POLICY
STATE FARM**

The captioned program is presented on behalf of National Union Fire Insurance Company of Pittsburgh, Pa., a member of American International Group, Inc. The Program provides individual professional liability insurance coverage to members of the SF Risk Management Group (Risk Purchasing Group).

The State Farm master policy and attached optional endorsements will provide an individual insurance agent with coverage for:

- Errors and Omissions Professional liability for wrongful acts arising from insurance agent services rendered to third party clients;
- Employment Practices Liability coverage;
- Financial Services Professional Liability coverage for wrongful acts committed by the Insured in connection with the placement of business with State Farm Bank, F.S.B.;
- Registered Representative Professional Liability coverage for wrongful acts committed by the Registered Representative solely in respect to servicing, selling, or attempting to sell variable life insurance, variable annuities and/or mutual funds through State Farm VP Management Corporation (hereinafter called "SFVPMC").
- Investment Advisor Professional Liability for wrongful acts committed by the Investment Adviser Representative

Coverage is on a claims-made basis. The limits of liability apply per insurance agent. Each individual insurance agent will have an aggregate shared limit of liability for these four coverages described above. Claim expenses are paid within the limits of liability. A \$1,000 deductible applies to the professional liability coverage and a \$5,000 deductible applies to the EPLI coverage.

Coverage is provided on a one year basis, with mid-term purchases and additional limit options available.

An extended reporting period of sixty (60) months is automatically provided to each agent at no additional premium.