

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$75  
Company Tracking Number: NARPL0207-F  
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability  
Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
Project Name/Number: Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

## Filing at a Glance

Companies: American Automobile Insurance Company, Fireman's Fund Insurance Company  
Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
SERFF Tr Num: FFDC-125413966 State: Arkansas  
TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: EFT \$75  
Sub-TOI: 17.1019 Professional Errors & Omissions Liability Co Tr Num: NARPL0207-F State Status: Fees verified and received  
Filing Type: Form Co Status: Pending Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding  
Authors: Michelle Davanzo, Gina Bondanza Disposition Date: 02/12/2008  
Date Submitted: 01/04/2008 Disposition Status: Approved  
Effective Date Requested (New): 03/01/2008 Effective Date (New):  
Effective Date Requested (Renewal): 03/01/2008 Effective Date (Renewal):  
State Filing Description:

## General Information

Project Name: Professional Liability for Insurance Agents Errors & Omissions Revision Status of Filing in Domicile:  
Project Number: NWPL0207 Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 02/12/2008  
State Status Changed: 02/04/2008 Deemer Date:  
Corresponding Filing Tracking Number:  
Filing Description:  
Dear Sir/Madam:

FORMS PORTION ONLY:

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
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We are submitting revisions to the Insurance Agents Errors and Omissions [E&O] Liability Program as previously filed/approved under Company filing number NARPL0206 (DOI #66202).

In this filing, we are revising the Independent Life and Property/Casualty forms to address the emerging industry need for additional coverage due to the expanding nature of insurance and financial products sold by insurance agents. In addition, we have revised or developed new endorsements for use with the revised forms. The enclosed "Forms Change Table" provides details of all the form changes being made with this filing.

In addition, we have made some revisions to previously filed rate/rule pages. Refer to the Actuarial Memorandum for complete details.

This is a form, rate and rule filing.

Enclosed in support of this filing are:

- "Forms Change Table" that summarizes the form changes being made in this filing;
- Copies of the new and revised forms, along with marked copies denoting the changes. For revised policy forms 144212 and 144213, we have included side-by-side comparisons showing changes between the new and prior edition policy forms.
- Actuarial Memorandum and supporting exhibit;
- Insurance Agents Errors and Omissions Liability rate/rule pages, PL-IAE&O-1-15, ed 06 07 to replace prior edition 03 06 pages; and
- State Checklists/Certifications if any.

Your approval/acknowledgement of this filing, which has a proposed effective date of March 1, 2008, would be appreciated

## Company and Contact

### Filing Contact Information

Michelle Davanzo, Regulatory Services Senior Analyst  
mdavanzo@ffic.com

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777 San Marin Drive      (415) 899-2660 [Phone]  
 Novato, CA 94998      (866) 290-0671[FAX]

**Filing Company Information**

American Automobile Insurance Company	CoCode: 21849	State of Domicile: Missouri
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1608585	

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Fireman's Fund Insurance Company	CoCode: 21873	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-3290 ext. [Phone]	FEIN Number: 94-1610280	

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$75.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Automobile Insurance Company	\$75.00	01/04/2008	17347113
Fireman's Fund Insurance Company	\$0.00	01/04/2008	

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	02/12/2008	02/12/2008

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Edith Roberts	02/04/2008	02/04/2008	Michelle Davanzo	02/05/2008	02/05/2008

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
Independent Form Life Insurance Agents Errors and Omissions Liability Insurance Coverage		Michelle Davanzo	01/24/2008	01/24/2008
Independent Form Property & Casualty Insurance Agents Errors and Omissions Liability		Michelle Davanzo	01/24/2008	01/24/2008

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**Insurance**

Independent Form Life Insurance Agents Errors and Omissions Liability Insurance Coverage	Michelle Davanzo	01/24/2008	01/24/2008
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Independent Form Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	Michelle Davanzo	01/24/2008	01/24/2008
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## Disposition

Disposition Date: 02/12/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	AR Change Table	Approved	Yes
Supporting Document	Side by Side	Approved	Yes
Supporting Document	Marked Copies	Approved	Yes
Supporting Document	Supporting Exhibits	Approved	Yes
Form	Additional Insured Personal Production	Approved	Yes
Form	Independent Life Insurance Agents	Approved	Yes
Form	Independent Property & Casualty Insurance Agents	Approved	Yes
Form (revised)	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	Approved	Yes
Form	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	Approved	Yes
Form (revised)	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	Approved	Yes
Form	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	Approved	Yes
Form	Additional Insured Endorsement	Approved	Yes
Form	Additional Insured - Vicarious Liability	Approved	Yes
Form	Additional Product Provider Endorsement	Approved	Yes
Form	Amended Consent to Settlement Endorsement	Approved	Yes
Form	Loss Only Deductible	Approved	Yes
Form	Financial Products: Variable and Equity Indexed Products Extension Endorsement	Approved	Yes
Form	Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension Endorsement	Approved	Yes

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<b>Form</b>	Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities Extension Endorsement	Approved	Yes
<b>Form</b>	Defense Within Limits	Approved	Yes
<b>Form</b>	Specified Independent Contractors	Approved	Yes
<b>Form</b>	Specified Independent Contractors With Separate Shared Limit	Approved	Yes
<b>Form</b>	Blanket Independent Contractors With Separate Shared Limit	Approved	Yes
<b>Form</b>	Employment Practices Wrongful Act Endorsement	Approved	Yes
<b>Form</b>	Additional Insured - Limited Personal Production	Approved	Yes
<b>Form</b>	Amendment of Insolvency Exclusion	Approved	Yes
<b>Form</b>	Exclusion - Life, Accident & Health Products	Approved	Yes
<b>Form</b>	Financial Products: Securities Extension Endorsement	Approved	Yes
<b>Form</b>	Property & Casualty Insurance Products Coverage Extension	Approved	Yes
<b>Form</b>	Specified Independent Contractors Limitation	Approved	Yes
<b>Form</b>	Employment Practices Wrongful Act With Limited Third Party Liability Endorsement	Approved	Yes
<b>Form</b>	Aggregate Deductible Damages and Defense	Approved	Yes
<b>Form</b>	Loss Only Deductible With Aggregate Deductible	Approved	Yes
<b>Form</b>	Deductible - Products of Specific Product Provider	Approved	Yes
<b>Form</b>	Deductible - Limited Waiver	Approved	Yes
<b>Form</b>	Amended Territory Endorsement	Approved	Yes
<b>Form</b>	Coverage Exclusion - Designated Individuals or Entities	Approved	Yes
<b>Form</b>	Fully Funded MEWA (Multiple Employer Welfare Arrangement) Endorsement	Approved	Yes

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<b>Form</b>	Schedule of Retroactive Dates	Approved	Yes
<b>Form</b>	Non-Pyramiding of Limits Endorsement	Approved	Yes
<b>Form</b>	Punitive Damages Exclusion	Approved	Yes
<b>Form</b>	Schedule of Named Insureds	Approved	Yes
<b>Form</b>	Term of Supplemental Extended Reporting Period	Approved	Yes
<b>Form</b>	Separate Aggregate Limit for Supplemental Extended Reporting Period	Approved	Yes
<b>Form</b>	Limited Employment Practices Liability Endorsement	Approved	Yes
<b>Form (revised)</b>	AR Changes	Approved	Yes
<b>Form</b>	AR Changes	Approved	Yes
<b>Form</b>	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	Approved	Yes
<b>Form</b>	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	Approved	Yes
<b>Form</b>	Arkansas Changes	Approved	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 02/04/2008  
Submitted Date 02/04/2008  
Respond By Date

Dear Michelle Davanzo,

This will acknowledge receipt of the captioned filing.

With reference to Arkansas Changes -144497 06 07, B,a. you may not withhold the Supplemental Extended Reporting Period if payment is received for that endorsement, if premium or deductible is owed for the terminating policy. This language must be stricken.

With reference to page 13, of Form 144212 6-07, VI. B. 1, please see above. This language must be stricken.

With reference to page 14, 6.c, the limits of the supplemental ERP must be the greater of the amount remaining of the expiring aggregate or reinstated to 50%.

With reference to 14, 6. e., you may not refuse either the basic or supplemental extended reporting periods for this reason. Please remove.

Please reference AR Code Anno. 23-79-306 for claims made requirements.

These same concerns apply to Form 144213 6-07.

Please feel free to contact me if you have questions.

Sincerely,  
Edith Roberts

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 02/05/2008  
Submitted Date 02/05/2008

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Dear Edith Roberts,

**Comments:**

Thank you for your 2/4/2008 correspondence.

**Response 1**

Comments: Our response follows in the same order as the items in your correspondence:

> Pursuant to your comments, we have removed the offending language from the Arkansas changes endorsement, 144497 06 07.

> Section A. of Arkansas Changes, 144497 06 07 amends policy condition VI.B.1 as required.

> Section B. of Arkansas Changes, 144497 06 07 provides a separate aggregate for the Supplemental Extended Reporting Period.

> Section B. of Arkansas Changes, 144497 06 07 deletes item e. from policy condition VI.B.6.

**Changed Items:**

No Supporting Documents changed.

**Form Schedule Item Changes**

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
AR Changes	144497	06 07	Endorsement/Amendment/Conditions	New		0	
<b>Previous Version</b>							
AR Changes	144497	06 07	Endorsement/Amendment/Conditions	New		0	144497 AR Changes.pdf
Arkansas Changes	144497	06 07 Rev	Endorsement/Amendment/Conditions	New		0	144497 AR Changes

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rev.pdf

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**No Rate/Rule Schedule items changed.**

With this response, we trust we have addressed your concerns and look forward to approval of our filing.

Sincerely,

Gina Bondanza, Michelle Davanzo

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**Amendment Letter**

Amendment Date:  
 Submitted Date: 01/24/2008

**Comments:**

We have found that forms 144212 06 07 and 144213 06 07 had a word missing and have attached corrected copies of the forms.

**Changed Items:**

**Form Schedule Item Changes:**

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	144212	06 07	Endorsement/Amendment/Conditions	Replaced		NWPL0106P0 K		
Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	144213	06 07	Endorsement/Amendment/Conditions	Replaced		NWPL0106P0 K		
Independent Life Insurance	144212	06 07 Rev	Endorsement/Amendment/Amendment	Replaced		NWPL0106P0 K		144212 06 07 rev.pdf

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Insurance  
 Agents  
 Errors and  
 Omissions  
 Liability  
 Insurance  
 Coverage

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	144213	06 07	Endorsement/Amendment/Conditions	Replaced		NWPL0106P0 K		144213 06 07 rev.pdf

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Additional Insured Personal Production	143307	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		143307 06 07.pdf
Approved	Independent Life Insurance Agents	144208	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		144208 06 07.pdf
Approved	Independent Property & Casualty Insurance Agents	144209	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		144209 06 07.pdf
Approved	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	144212	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		
Approved	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	144213	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		
Approved	Additional Insured Endorsement	144217	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 Previous Filing #: NWPL0106PK		144217 06 07.pdf
Approved	Additional	144218	06 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00		144218 06

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Approval	Description	Policy No	Effective Date	Event	Form #	File Name
	Insured - Vicarious Liability			nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	07.pdf
Approved	Additional Product Provider Endorsement	144219	06 07	Endorsement Replaced	Replaced Form #:0.00	144219 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	
Approved	Amended Consent to Settlement Endorsement	144224	06 07	Endorsement Replaced	Replaced Form #:0.00	144224 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	
Approved	Loss Only Deductible	144230	06 07	Endorsement Replaced	Replaced Form #:0.00	144230 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	
Approved	Financial Products: Variable and Equity Indexed Products Extension Endorsement	144238	06 07	Endorsement Replaced	Replaced Form #:0.00	144238 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	
Approved	Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension Endorsement	144240	06 07	Endorsement Replaced	Replaced Form #:0.00	144240 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	
Approved	Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities	144242	06 07	Endorsement Replaced	Replaced Form #:0.00	144242 06 07.pdf
				nt/Amendment/Conditions	Previous Filing #: NWPL0106PK	

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Extension Endorsement							
Approved	Defense Within Limits	144263	06 07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00		144263 06 07.pdf
					Previous Filing #: NWPL0106PK		
Approved	Specified Independent Contractors	144317	06 07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00		144317 06 07.pdf
					Previous Filing #: NWPL0106PK		
Approved	Specified Independent Contractors With Separate Shared Limit	144318	06 07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00		144318 06 07.pdf
					Previous Filing #: NWPL0106PK		
Approved	Blanket Independent Contractors With Separate Shared Limit	144319	06 07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00		144319 06 07.pdf
					Previous Filing #: NWPL0106PK		
Approved	Employment Practices Wrongful Act Endorsement	144362	06 07	Endorsement/Amendment/Conditions New	0.00		144362 06 07.pdf
Approved	Additional Insured - Limited Personal Production	144474	06 07	Endorsement/Amendment/Conditions New	0.00		144474 06 07.pdf
Approved	Amendment of Insolvency Exclusion	144475	06 07	Endorsement/Amendment/Conditions New	0.00		144475 06 07.pdf
Approved	Exclusion - Life, Accident & Health Products	144476	06 07	Endorsement/Amendment/Conditions New	0.00		144476 06 07.pdf
Approved	Financial	144477	06 07	Endorsement/Amendment/Conditions New	0.00		144477 06 07.pdf

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Products:	nt/Amendm	07.pdf
Securities Extension Endorsement	ent/Condi ons	
Approved Property & Casualty Insurance Products Coverage Extension	Endorseme New nt/Amendm ent/Condi ons	0.00 144478 06 07 144478 06 07 rev.pdf
Approved Specified Independent Contractors Limitation	Endorseme New nt/Amendm ent/Condi ons	0.00 144479 06 07 144479 06 07.pdf
Approved Employment Practices Wrongful Act With Limited Third Party Liability Endorsement	Endorseme New nt/Amendm ent/Condi ons	0.00 144480 06 07 144480 06 07.pdf
Approved Aggregate Deductible Damages and Defense	Endorseme New nt/Amendm ent/Condi ons	0.00 144481 06 07 144481 06 07.pdf
Approved Loss Only Deductible With Aggregate Deductible	Endorseme New nt/Amendm ent/Condi ons	0.00 144482 06 07 144482 06 07.pdf
Approved Deductible - Products of Specific Product Provider	Endorseme New nt/Amendm ent/Condi ons	0.00 144483 06 07 144483 06 07.pdf
Approved Deductible - Limited Waiver	Endorseme New nt/Amendm ent/Condi ons	0.00 144484 06 07 144484 06 07.pdf

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$75  
 Company Tracking Number: NARPL0207-F  
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability

Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
 Project Name/Number: Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

Approved	Amended Territory Endorsement	144485	06 07	Endorsement/Amendment/Conditions New	0.00	144485 06 07.pdf
Approved	Coverage Exclusion - Designated Individuals or Entities	144486	06 07	Endorsement/Amendment/Conditions New	0.00	144486 06 07.pdf
Approved	Fully Funded MEWA (Multiple Employer Welfare Arrangement) Endorsement	144487	06 07	Endorsement/Amendment/Conditions New	0.00	144487 06 07.pdf
Approved	Schedule of Retroactive Dates	144488	06 07	Endorsement/Amendment/Conditions New	0.00	144488 06 07.pdf
Approved	Non-Pyramiding of Limits Endorsement	144489	06 07	Endorsement/Amendment/Conditions New	0.00	144489 06 07 rev.pdf
Approved	Punitive Damages Exclusion	144490	06 07	Endorsement/Amendment/Conditions New	0.00	144490 06 07.pdf
Approved	Schedule of Named Insureds	144491	06 07	Endorsement/Amendment/Conditions New	0.00	144491 06 07 rev.pdf
Approved	Term of Supplemental Extended Reporting Period	144492	06 07	Endorsement/Amendment/Conditions New	0.00	144492 06 07.pdf
Approved	Separate Aggregate Limit for Supplemental	144493	06 07	Endorsement/Amendment/Conditions New	0.00	144493 06 07.pdf

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$75  
 Company Tracking Number: NARPL0207-F  
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability

Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
 Project Name/Number: Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

	Extended Reporting Period			ons			
Approved	Limited Employment Practices Liability Endorsement	144494	06 07	Endorsement/Amendment/Conditions	New	0.00	144494 06 07.pdf
Approved	AR Changes	144497	06 07	Endorsement/Amendment/Conditions	New	0.00	
Approved	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	144212	06 07 Rev	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 Previous Filing #: NWPL0106PK	144212 06 07 rev.pdf
Approved	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	144213	06 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 Previous Filing #: NWPL0106PK	144213 06 07 rev.pdf
Approved	Arkansas Changes	144497	06 07 Rev	Endorsement/Amendment/Conditions	New	0.00	144497 AR Changes rev.pdf



**Additional Insured Personal Production – 143307 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

**Schedule**

**Name(s) of Employees:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section III. **DEFINITIONS**, G. **Insured** is amended by the addition of the following:

The individuals who were, or are, employees of the **Named Insured** performing **Professional Services** for their own "Personal Production."

Such individual(s) shall be designated by name in the above Schedule.

As used in this endorsement, "Personal Production" means **Covered Products** placed pursuant to such individual's direct contract with a **Product Provider** and which are not placed for or on behalf of the **Named Insured**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

143307 6-07

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**Declarations** **INDEPENDENT LIFE INSURANCE AGENTS**  
**ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE**

---

POLICY NUMBER:

**FIREMAN'S FUND INSURANCE COMPANIES**

POLICY PERIOD: FROM **XX/XX/XX** TO **XX/XX/XX**  
(12:01 a.m. standard time at the address  
of the First Named Insured as stated  
herein)

Coverage is provided in the  
following company, a stock company.

Company NAME to be inserted  
**777 San Marin Drive**  
**Novato, CA 94998**  
**415-899-2000**

**FIRST NAMED INSURED AND MAILING ADDRESS:**  
**JOHN DOE**  
**123 MAIN STREET**  
**ANY TOWN, NY 12345**

---

**CLAIMS MADE AND REPORTED**

Subject to its terms, This Policy provides coverage for Claims first made  
and reported to the Insurer during the Policy Period or Extended Reporting  
Period, if applicable.

**Please read and review the policy carefully.**

---

In return for the payment of the premium, and subject to all the terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

---

Premium payable at inception: \$  
Annual Premium: \$

---

Endorsements attached to and forming a part of this policy at inception:

Our Home Office and Administrative Offices are at 777 San Marin Drive,  
Novato, California 94998-2000

**Declarations continued**

**INDEPENDENT LIFE INSURANCE AGENTS  
ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE**

---

COVERAGES AND LIMITS OF INSURANCE

Insurance is provided only for those Coverages and Limits of Insurance shown below.

---

INDEPENDENT LIFE INSURANCE AGENTS  
ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE

**LIMIT OF INSURANCE**

\$X,XXX,XXX Each Claim.

**LIMIT OF INSURANCE**

\$X,XXX,XXX in the Aggregate.

**DEDUCTIBLE:**

\$XXX,XXX Each Claim.

**RETROACTIVE DATE:**

XX/XX/XX

---

Date of Issue: XX/XX/XXXX	Countersignature of Authorized Agent:
------------------------------	---------------------------------------

These declarations pages are issued in conjunction with and form a part of the following Policy Form .



**INDEPENDENT PROPERTY & CASUALTY INSURANCE AGENTS  
ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE**

**Declarations**

POLICY NUMBER:

**FIREMAN'S FUND INSURANCE COMPANIES**

POLICY PERIOD:FROM **XX/XX/XX** TO **XX/XX/XX**  
(12:01 a.m. standard time at the address  
of the First Named Insured as stated  
herein)

Coverage is provided in the  
following company,a stock company.

**Company NAME to be inserted**  
**777 San Marin Drive**  
**Novato, CA 94998**  
**415-899-2000**

**FIRST NAMED INSURED AND MAILING ADDRESS:**

**JOHN DOE**  
**123 MAIN STREET**  
**ANY TOWN, NY 12345**

---

**CLAIMS MADE**

**Subject to its terms, This Policy provides coverage for Claims first made  
during the Policy Period or Extended Reporting Period, if applicable.  
Please read and review the policy carefully.**

---

In return for the payment of the premium, and subject to all the terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

---

**Premium payable at inception:** \$  
**Annual Premium:** \$

---

Endorsements attached to and forming a part of this policy at inception:

Our Home Office and Administrative Offices are at 777 San Marin Drive,  
Novato, California 94998-2000

**Declarations continued**

**INDEPENDENT PROPERTY & CASUALTY INSURANCE AGENTS  
ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE**

---

COVERAGES AND LIMITS OF INSURANCE

Insurance is provided only for those Coverages and Limits of Insurance shown below.

---

INDEPENDENT PROPERTY & CASUALTY INSURANCE AGENTS  
ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE

**LIMIT OF INSURANCE**

\$X,XXX,XXX Each Claim.

**LIMIT OF INSURANCE**

\$X,XXX,XXX in the Aggregate.

**DEDUCTIBLE:**

\$XXX,XXX Each Claim.

**RETROACTIVE DATE:**

XX/XX/XX

---

Date of Issue:  
XX/XX/XXXX

Countersignature of Authorized Agent:

---

These declarations pages are issued in conjunction with and form a part of the following Policy Form .

**Additional Insured Endorsement – 144217 06 07**

Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

**Schedule**

**Name of Individual(s)  
or Entity(ies)**

**Retroactive Date**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section III. **DEFINITIONS**, G. **Insured** is amended by the addition of the following:

3. The individuals or entities shown in the Schedule above, but only for liability arising solely from a **Wrongful Act** in the rendering of, or failure to render, **Professional Services** for or on behalf of a **Named Insured** in connection with a **Covered Product**, if such **Wrongful Act** occurred wholly after the **Retroactive Date**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144217 6-07

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**Additional Insured - Vicarious Liability – 144218 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Name of Individual(s) or Entity(ies)**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section III. **DEFINITIONS**, G. **Insured** is amended by the addition of the following:

3. The individuals or entities shown in the Schedule above are included as additional insureds, but only for liability arising solely from a **Wrongful Act** of another **Insured** in the rendering of, or failure to render, **Professional Services** in connection with a **Covered Product**, if such **Wrongful Act** occurred wholly after the **Retroactive Date**. No coverage is provided for any actual or alleged **Wrongful Act** by said individuals or entities.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Additional Product Provider Endorsement – 144219 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

Section III. **DEFINITIONS**, M. **Product Provider** is amended to include the following shown in the Schedule:

Schedule

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Amended Consent to Settlement Endorsement – 144224 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability**  
**Insurance Coverage**

Section I. **COVERAGE**, B. **Defense, Investigation and Settlement of a Claim**, 1. is deleted in its entirety and replaced by the following:

1. With respect to insurance provided by this Policy, **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus:
  - a. **Claim Expenses** up to the date **You** refused to settle such **Claim**; and
  - b. 50% of the amount for which **Claim** could have been settled, subject to a maximum of \$100,000.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Loss Only Deductible – 144230 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

**THIS CHANGE TO DEDUCTIBLE APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED AND ANY ENDORSEMENT ALSO ATTACHED**

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE**, C. is deleted in its entirety and replaced with the following:

- C. **We** shall only be liable to pay **Loss** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144230 6-07

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**Financial Products: Variable and Equity Indexed Products Extension Endorsement**  
**144238 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Financial Products: Variable and Equity Indexed Products Extension**

Deductible: \$\_\_\_\_\_ Each **Claim**

Limit of Insurance: \$\_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

- A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.
- B. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.

- C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product** also means the following products offered by a **Product Provider**:

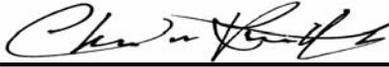
- 1. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**; and
- 2. Equity Indexed Annuities.

- D. Section III. **DEFINITIONS**, N. **Professional Services** is amended by the addition of the following:

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the **Insured's** profession as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President

- E. Section III. **DEFINITIONS** is amended by the addition of the following:
- R. **Registered Representative** means any **Insured** that is:
1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.
- S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.
- F. Section IV. **EXCLUSIONS**, J. is amended by deleting the words "registered representative, registered investment advisor or investment advisor representative, or".
- G. Section IV. **EXCLUSIONS** is amended by the addition of the following:
- T. Solely for any actual or alleged violation of:
1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or
  2. The rules or regulations of:
    - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
    - b. Any state insurance or securities department commission or agency;
- U. Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**; or
- V. Solely based upon any fluctuation in the market value of any investment covered by this Policy.

All other terms and conditions of the Policy remain unchanged.

**Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension  
Endorsement - 144240 06 07  
Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance  
Coverage**

**Schedule**

**Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension**

Deductible: \$ \_\_\_\_\_ Each **Claim**

Limit of Insurance: \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

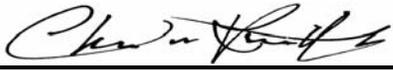
- A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.
- B. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.
- C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product** also means the following products offered by a **Product Provider**:

- 1. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**;
- 2. Equity Indexed Annuities; or
- 3. Mutual Funds, whether or not offered by a **Product Provider**, which are registered with the Securities Exchange Commission and sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President

- D. Section III. **DEFINITIONS**, N. **Professional Services** is amended by the addition of the following:
- Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the **Insured's** profession as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.
- E. Section III. **DEFINITIONS** is amended by the addition of the following:
- R. **Registered Representative** means any **Insured** that is:
1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.
- S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.
- F. Section IV. **EXCLUSIONS**, J. is amended by deleting the words "registered representative, registered investment advisor or investment advisor representative, or".
- G. Section IV. **EXCLUSIONS** is amended by the addition of the following:
- T. Solely for any actual or alleged violation of:
1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or
  2. The rules or regulations of:
    - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
    - b. Any state insurance or securities department commission or agency;
- U. Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**; or
- V. Solely based upon any fluctuation in the market value of any investment covered by this Policy.

All other terms and conditions of the Policy remain unchanged.

**Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities Extension  
Endorsement - 144242 06 07  
Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance  
Coverage**

**Schedule**

**Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities Extension**

Deductible: \$\_\_\_\_\_ Each **Claim**

Limit of Insurance: \$\_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

- A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.
- B. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.
- C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product** also means the following products offered by a **Product Provider**:

- 1. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**;
- 2. Equity Indexed Annuities;
- 3. Mutual Funds, whether or not offered by a **Product Provider**, which are registered with the Securities Exchange Commission and sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**; or

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President

4. Any **Securities**, whether or not offered by a **Product Provider**, sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.
- D. Section III. **DEFINITIONS**, N. **Professional Services** is amended by the addition of the following:
- Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the **Insured's** profession as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.
- E. Section III. **DEFINITIONS** is amended by the addition of the following:
- R. **Registered Representative** means any **Insured** that is:
1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.
- S. **Registered Investment Advisor** or **Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.
- T. **Securities** has the same meaning as that term in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto, provided, however, **Securities** shall not include:
1. Any promissory notes;
  1. Any unregistered **Securities**;
  2. Any telephone leasing; or
  3. Any equity **Security** priced under five dollars (\$5.00) at the time of purchase, provided, however, this limitation shall not apply if the **Securities** are:
    - a. Registered or approved for registration upon notice of issuance on a national exchange;
    - b. Authorized for quotation in the NASDAQ system; or
    - c. Issued by an investment company (as defined in the Investment Company Act of 1940, as amended) registered under the Investment Company Act of 1940, as amended.
- F. Section IV. **EXCLUSIONS**, J. is amended by deleting the words "registered representative, registered investment advisor or investment advisor representative, or".
- G. Section IV. **EXCLUSIONS** is amended by the addition of the following:
- T. Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing; or
2. The rules or regulations of:
  - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
  - b. Any state insurance or securities department commission or agency;
- U. Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**;
- V. Solely based upon any fluctuation in the market value of any investment covered by this Policy;
- W. Based upon, or arising out of or in any way involving the formation, syndication, operation, administration, dissolution or roll-up of any limited partnership or limited partnership interest, any real estate syndicate or investment trust or any interest therein;
- X. Based upon, or arising out of or in any way involving any Internal Revenue Code section 1031 exchange;
- Y. Based upon, or arising out of or in any way involving any **Securities** transaction which has not been approved by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended);
- Z. Based upon, or arising out of or in any way involving any **Insured's** actions, activities, responsibilities or duties as a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) for **Securities** transactions;
- AA. Based upon, or arising out of or in any way involving the purchase of, or advice concerning the purchase of, any bonds which, at the time of purchase were unrated or rated below investment grade by any rating agency; or
- BB. Based upon, or arising out of or in any way involving:
  1. Any function of an **Insured** as market maker for any **Securities**, or
  2. An **Insured** failing to make a market for any **Securities**.

All other terms and conditions of the Policy remain unchanged.

## Defense Within Limits – 144263 06 07

Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

**THIS CHANGE TO LIMIT APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED  
AND ANY ENDORSEMENT ALSO ATTACHED**

- A. Section I. **COVERAGE**, B. **Defense, Investigation and Settlement of a Claim**, paragraph 3., items a. and b. are deleted in their entirety and replaced by the following:
- a. **We** shall pay all **Claim Expenses** that **We** incur in any such **Claim** until the Limit of Insurance shown in the Declarations is exhausted. **We** have no obligation to pay **Claims Expenses**, to defend, or to indemnify, once the Limit of Insurance is exhausted;
  - b. **Our** right and duty to defend the **Insured** and to pay **Claim Expenses** ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of **Claim Expenses** and **Loss**;
- B. Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE**, items A. and B. are deleted in their entirety and replaced by the following:
- A. The Limit of Insurance shown in the Declarations as applicable to each **Claim** is **Our** maximum liability for **Loss** and **Claim Expenses** resulting from any one **Claim**. Without regard to the number of **Claims** or **Insureds** against whom a **Claim** has been made, all **Loss** and **Claim Expenses** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** will be subject to the each **Claim** limit of liability in effect the first **Claim** arising out of the **Wrongful Act** or **Interrelated Wrongful Acts** was made.
  - B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is **Our** maximum liability for all **Loss** and **Claim Expenses** resulting from all **Claims** made during the **Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144263 6-07

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**Specified Independent Contractors - 144317 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Schedule**

Name(s) of Independent Contractors:

Retroactive Date:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. Section III. **DEFINITIONS**, G. **Insured**, is amended by the addition of d., following:
- d. The individual scheduled above, but only while acting as an independent contractor for the **Named Insured** pursuant to a written agreement with the **Named insured** which was in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the schedule above.

- B. This Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended as follows:

1. Paragraph F. is added:

F. A \$2,500 Each **Claim** Deductible applies to the coverage afforded by this endorsement.

2. Paragraph G. is added:

G. The Limits of Insurance applicable to each independent contractor listed in the schedule above is \$1,000,000 each **Claim** and \$1,000,000 Aggregate. These limits apply in addition to the Limits of Insurance stated in the Policy Declarations.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Specified Independent Contractors With Separate Shared Limit –  
144318 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Schedule**

**Name(s) of Independent Contractors:**

**Retroactive Date:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. Section III. **DEFINITIONS**, G. **Insured**, item 2. is amended by the addition of d., following:
- d. The individual scheduled above, but only while acting as an independent contractor for the **Named Insured** pursuant to a written agreement with the **Named insured** which was in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the schedule above.
- B. This Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

Section V. **Limit of Insurance and Deductible** is amended as follows:

1. Paragraph F. is added:
- F. A \$2,500 Each **Claim** Deductible applies to the coverage afforded by this endorsement.
2. Paragraph G. is added:
- G. The Limits of Insurance applicable to all independent contractors listed in the schedule above is \$1,000,000 each **Claim** and \$1,000,000 Aggregate. These limits apply in addition to the Limits of Insurance stated in the Policy Declarations.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144318 6-07

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**Blanket Independent Contractors With Separate Shared Limit –  
144319 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

- A. Solely with respect to coverage Independent Contractor coverage afforded under Section III.G.2.c., this Policy is amended by this endorsement as follows:

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended as follows:

1. Paragraph F. is added:

F. A \$2,500 Each **Claim** Deductible applies to the coverage afforded by this endorsement.

2. Paragraph G. is added:

G. The Limits of Insurance applicable to all independent contractors is \$1,000,000 each **Claim** and \$1,000,000 Aggregate. These limits apply in addition to the Limits of Insurance stated in the Policy Declarations.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

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144319 6-07

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**Employment Practices Wrongful Act Endorsement – 144362 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Employment Practices Wrongful Act Coverage**

Effective Date \_\_\_\_\_ **Retroactive Date:** \_\_\_\_\_

Deductible: \$ \_\_\_\_\_ Each **Claim**

Limit of Insurance \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

**COVERAGE – Employment Practices Wrongful Act**

A. Section I. **COVERAGE**, A. **Insuring Agreement**, 2. is amended as follows:

2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Schedule above, provided that:
  - a. As of the effective date of this policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured**, and if applicable, reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



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B. Section III. **DEFINITIONS**, A. **Claim** is amended by the addition of the following:

4. A formal civil administrative or arbitration or regulatory proceeding commenced by the filing of a notice of charge, formal investigative order or similar document against the **Insured**, including an Equal Employment Opportunity Commission ("EEOC") or any similar state, local or foreign agency proceeding or investigation commenced by a notice of charges, service of a complaint or similar document of which notice has been given to the **Insured**, and is brought by or on behalf of an **Employee**, a former **Employee**, or an applicant for employment with the **Named Insured**, and alleging an **Employment Practices Wrongful Act**.

C. Section III. **DEFINITIONS**, I. **Loss** is amended by the addition of the following limitations:

**Loss** shall also not include:

6. Any obligation to provide any **Employee** benefits, stock options, perquisites or deferred compensation to a current, former or prospective **Employee**, or their equivalent;
7. Any obligation to provide any severance pay for terminated **Employees**;
8. Amounts allocated for front pay, future pay, or other equivalent economic relief, if the **Named Insured** had the opportunity pursuant to final adjudication or judgment to reinstate claimant as **Employee**, but failed to do so; or
9. Any liability or costs incurred by the Insured arising out of a request, order, judgment or settlement agreement, including but not limited to any liability or costs incurred by the **Insured** to modify any building or property to make such building or property more accessible or accommodating to any disabled person.

D. Section III. **DEFINITIONS**, Q. **Wrongful Act** is amended by the addition of the following:

3. Any actual or alleged **Employment Practices Wrongful Act**.

E. Section III. **DEFINITIONS** is amended by addition of the following for purposes of the coverage afforded by this endorsement:

1. **Employment Practices Wrongful Act** shall mean any of the following committed by the **Insured**:
  - a. Wrongful dismissal, discharge or termination (either actual or constructive) of employment
  - b. Wrongful refusal to employ an applicant for employment;
  - c. Wrongful failure to promote an **Employee**;
  - d. Wrongful demotion, evaluation, reassignment or discipline of an **Employee**;
  - e. Harassment, including sexual harassment and workplace harassment, but only when such harassment is done by one **Employee** or applicant for employment against another **Employee** or applicant for employment;

- f. Violation of any employment discrimination law;
  - g. Employment related retaliation;
  - h. Employment related libel, slander, defamation or invasion of privacy; or
  - i. Employment-related infliction of emotional distress.
2. **Employee** shall mean a person employed by the **Named Insured** for wages. **Employee** includes a leased employee and temporary worker but does not include an independent contractor, or any **Employee** or leased employee or temporary worker of an independent contractor.
- F. Limit of Insurance And Deductible:
- 1. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.
  - 2. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during the **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during the **Policy Period** shown in the Declarations.
- G. Section IV. **EXCLUSIONS** is amended by the addition of the following for purposes of the coverage afforded by this endorsement:
- 1. Based upon or arising from, or in any way involving breach of any agreement, whether written or oral, to limit grounds for termination of employment to specific causes;
  - 2. Based upon or arising from or in any way involving breach of any express contract, whether written or oral, to pay any set wages or benefits, overtime, bonuses, commissions severance payments or any similar payments, or to provide or continue benefits of any kind;
  - 3. Based upon or arising out of or in any way involving any violation of:
    - a. The Employee Retirement Income Security Act of 1974 (ERISA),
    - b. The Consolidated Omnibus Budget Reconciliation Act (COBRA),
    - c. The Worker Adjustment and Retraining Notification Act (WARN),
    - d. The Occupational Safety and Health Act (OSHA),
    - e. The National Labor Relations Act of 1938 (NLRA),
    - f. The Labor-Management Relations Act of 1947 (LMRA),
    - g. The Racketeer Influenced Corruption Act (RICO),
    - h. The Fair Labor Standards Act (FLSA) or any state or local wage and hour or minimum wage law or ordinance, but not including the Equal Pay Act,

- i. Any workers' compensation, disability benefits or unemployment compensation laws, or
  - j. Any amendments to any such laws, any similar federal, state or local laws, or any regulations promulgated under any such laws;
- 4. Based upon, arising from, or in any way related to any criminal proceeding;
- 5. Based on or arising out of, or in any way related to any compliance with ADA Requirements and any costs, expense or damages incurred or assessed to make premises accessible to persons with disabilities as required by:
  - a. The Americans with Disabilities Act of 1990,
  - b. Any similar federal, state or local law, or
  - c. Any regulations promulgated under any such laws; or
- 6. Based upon or arising out of, or in any way related to any strikes, lockouts, picket lines, temporary or permanent **Employee** replacement, or other similar actions resulting from labor disputes or labor negotiations, or any labor or grievance arbitration pursuant to a collective bargaining agreement.

All other terms and conditions of the Policy remain unchanged.

**Additional Insured – Limited Personal Production – 144474 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Name(s) of Employees:**

**Contract(s)**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section III. **DEFINITIONS**, G. **Insured** is amended by the addition of the following:

3. The individuals who were, or are, employees of the **Named Insured** performing **Professional Services** for their own "Personal Production" pursuant to the specific contracts scheduled above.

Such individuals shall be designated by name in the above Schedule.

As used in this endorsement, "Personal Production" means **Covered Products** placed pursuant to such individual's direct contract with a **Product Provider** and which are not placed for or on behalf of a **Named Insured**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144474 6-07

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**Amendment of Insolvency Exclusion – 144475 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

Section IV. **EXCLUSIONS**, M. does not apply to the following **Product Provider** shown in the Schedule:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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**Exclusion – Life, Accident & Health Products – 144476 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

A. Section III. **DEFINITIONS** is amended as follows:

1. D. **Covered Product**, items 4., 5., and 6. are deleted; and
2. N. **Professional Services**, item 8. is deleted.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

144476 6-07

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**Financial Products: Securities Extension Endorsement - 144477 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Financial Products: Securities Extension**

Deductible: \$\_\_\_\_\_ Each **Claim**

Limit of Insurance: \$\_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

- A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above.
- B. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.
- C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product** also means:

Any **Securities**, whether or not offered by a **Product Provider**, sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**.

- D. Section III. **DEFINITIONS** is amended by the addition of the following:

**Securities** has the same meaning as that term in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto, provided, however, **Securities** shall not include:

- 1. Any promissory notes;
- 2. Any unregistered **Securities**;

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One of the **Fireman's Fund Insurance Companies** as named in the policy



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President

3. Any telephone leasing; or
  4. Any equity **Security** priced under five dollars (\$5.00) at the time of purchase, provided, however, this limitation shall not apply if the **Securities** are:
    - a. Registered or approved for registration upon notice of issuance on a national exchange;
    - b. Authorized for quotation in the NASDAQ system; or
    - c. Issued by an investment company (as defined in the Investment Company Act of 1940, as amended) registered under the Investment Company Act of 1940, as amended.
- E. Section IV. **EXCLUSIONS** is amended by the addition of the following:
- W. Solely based upon any fluctuation in the market value of any investment covered by this Policy;
  - X. Based upon, or arising out of or in any way involving the formation, syndication, operation, administration, dissolution or roll-up of any limited partnership or limited partnership interest, any real estate syndicate or investment trust or any interest therein;
  - Y. Based upon, or arising out of or in any way involving any Internal Revenue Code section 1031 exchange;
  - Z. Based upon, or arising out of or in any way involving any **Securities** transaction which has not been approved by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended);
  - AA. Based upon, or arising out of or in any way involving any **Insured's** actions, activities, responsibilities or duties as a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) for **Securities** transactions;
  - BB. Based upon, or arising out of or in any way involving the purchase of, or advice concerning the purchase of, any bonds which, at the time of purchase were unrated or rated below investment grade by any rating agency; or
  - CC. Based upon, or arising out of or in any way involving:
    1. Any function of an **Insured** as market maker for any **Securities**, or
    2. An **Insured** failing to make a market for any **Securities**

All other terms and conditions of the Policy remain unchanged.

**Property & Casualty Insurance Products Coverage Extension**  
**144478 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

- A. Section III. **DEFINITIONS**, D. **Covered Product** is deleted in its entirety and replaced by the following:
- D. **Covered Product**, either in the singular or plural, means the following products offered by a **Product Provider**:
1. Property and Casualty Insurance coverage;
  2. Fidelity and Surety Bonds;
  3. Workers Compensation Insurance;
  4. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);
  5. Long Term Care Insurance;
  6. a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and  
b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans.
  7. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**;
  8. Equity Indexed Annuities; and

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

9. Mutual Funds, whether or not offered by a **Product Provider**, which are registered with the Securities Exchange Commission and sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**.

**Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).

- B. Section III. **DEFINITIONS**, N. **Professional Services** is deleted in its entirety and replaced by the following:

N. **Professional Services** means the following services rendered in connection with a **Covered Product** by the **Insured** to a **Client** in the conduct of the **Named Insured's** profession as an Insurance Agent or Broker or Solicitor, General Agent, Managing General Agent, Brokerage General Agent, Surplus Lines Broker, or a Notary Public:

1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a **Covered Product**; but not including the sale, surrender, conversion or any alteration of a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
2. Providing advice or consultation solely related to a **Covered Product**, including financial planning or consulting solely related to a **Covered Product**, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
3. Incidental **Claims** adjusting in connection with first party Property claims draft authority;
4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a **Covered Product**;
5. Providing loss control or risk management services in connection with soliciting, placing, selling or servicing a **Covered Product**;
6. Assisting a **Client** to secure premium financing from a licensed premium finance company for a **Covered Product** placed by or on behalf of the **Insured**;
7. Training, managing and supervising others, but only in connection with **Covered Products**;
8. **Employee Benefit Plan Administration**;
9. Expert witness testimony related to **Professional Services** or a **Covered Product**; or
10. Insurance class instruction.

However, **Professional Services** shall not include:

- a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:

- i. Any Multiple Employer Welfare Arrangement;
  - ii. Any health maintenance organization or preferred provider organization;
  - iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or
  - iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;
- b. Any services performed by any **Insured** in their capacity as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;
  - c. Any services which the **Insured** is not licensed to render on any date on which a **Wrongful Act** involving such services is alleged to have occurred, provided that lack of license is due to the **Insured's** deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the **Insured's** knowledge and consent; or
  - d. Any commingling, misappropriation or conversion of **Client's** funds.

All other terms and conditions of the Policy remain unchanged.

**Specified Independent Contractors Limitation - 144479 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Name(s) of Independent Contractors:**

**Retroactive Date:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section III. **DEFINITIONS**, G. **Insured**, 2.c. is deleted in its entirety and replaced by the following:

- c. The individual or entity scheduled above, but only while acting as an independent contractor for the **Named Insured** pursuant to a written agreement with the **Named insured** which was in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the schedule above.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Employment Practices Wrongful Act With Limited Third Party Liability  
Endorsement – 144480 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance  
Coverage**

**Schedule**

**Employment Practices Wrongful Act with Limited Third Party Liability Coverage**

Effective Date \_\_\_\_\_ **Retroactive Date:** \_\_\_\_\_

Deductible: \$ \_\_\_\_\_ Each **Claim**

Limit of Insurance \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

**COVERAGE – Employment Practices Wrongful Act with Limited Third Party Liability**

A. Section I. **COVERAGES**, A. **Insuring Agreement**, 2. is amended as follows:

2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Schedule above, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured**, and if applicable, reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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B. Section III. **DEFINITIONS**, A. **Claim** is amended by the addition of the following:

4. A formal civil administrative or arbitration or regulatory proceeding commenced by the filing of a notice of charge, formal investigative order or similar document against the **Insured**, including an Equal Employment Opportunity Commission ("EEOC") or any similar state, local or foreign agency proceeding or investigation commenced by a notice of charges, service of a complaint or similar document of which notice has been given to the **Insured**, and is brought by or on behalf of an **Employee**, a former **Employee**, or an applicant for employment with the **Named Insured**, and alleging an **Employment Practices Wrongful Act**.

C. Section III. **DEFINITIONS**, I. **Loss** is amended by the addition of the following limitations:

**Loss** shall also not include:

6. Any obligation to provide any **Employee** benefits, stock options, perquisites or deferred compensation to a current, former or prospective **Employee**, or their equivalent;
7. Any obligation to provide any severance pay for terminated **Employees**;
8. Amounts allocated for front pay, future pay, or other equivalent economic relief, if the **Named Insured** had the opportunity pursuant to final adjudication or judgment to reinstate claimant as **Employee**, but failed to do so; or
9. Any liability or costs incurred by the Insured arising out of a request, order, judgment or settlement agreement, including but not limited to any liability or costs incurred by the **Insured** to modify any building or property to make such building or property more accessible or accommodating to any disabled person.

D. Section III. **DEFINITIONS**, Q. **Wrongful Act** is amended by the addition of the following:

3. Any actual or alleged **Employment Practices Wrongful Act**; or
4. Any actual or alleged **Third Party Harassment Wrongful Act**

E. Section III. **DEFINITIONS** is amended by addition of the following for purposes of the coverage afforded by this endorsement:

1. **Employment Practices Wrongful Act** shall mean any of the following committed by the **Insured**:
  - a. Wrongful dismissal, discharge or termination (either actual or constructive) of employment;
  - b. Wrongful refusal to employ an applicant for employment;
  - c. Wrongful failure to promote an **Employee**;
  - d. Wrongful demotion, evaluation, reassignment or discipline of an **Employee**;
  - e. Harassment, including sexual harassment and workplace harassment, but only when such harassment is done by one **Employee** or applicant for employment against another **Employee** or applicant for employment;
  - f. Violation of any employment discrimination law;

- g. Employment related retaliation;
- h. Employment related libel, slander, defamation or invasion of privacy; or
- i. Employment-related infliction of emotional distress.

- 2. **Employee** shall mean a person employed by the **Named Insured** for wages. **Employee** includes a leased employee and temporary worker but does not include an independent contractor, or any **Employee** or leased employee or temporary worker of an independent contractor.
- 3. **Third Party Harassment Wrongful Act** shall mean any harassment, including sexual harassment of someone other than an **Employee**.

F. Limit of Insurance And Deductible:

- 1. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.
- 2. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during the **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during the **Policy Period** shown in the Declarations.

G. Section IV. **EXCLUSIONS** is amended by the addition of the following for purposes of the coverage afforded by this endorsement:

- 1. Based upon or arising from, or in any way involving breach of any agreement, whether written or oral, to limit grounds for termination of employment to specific causes;
- 2. Based upon or arising from or in any way involving breach of any express contract, whether written or oral, to pay any set wages or benefits, overtime, bonuses, commissions severance payments or any similar payments, or to provide or continue benefits of any kind;
- 3. Based upon or arising out of or in any way involving any violation of:
  - a. The Employee Retirement Income Security Act of 1974 (ERISA),
  - b. The Consolidated Omnibus Budget Reconciliation Act (COBRA),
  - c. The Worker Adjustment and Retraining Notification Act (WARN),
  - d. The Occupational Safety and Health Act (OSHA),
  - e. The National Labor Relations Act of 1938 (NLRA),
  - f. The Labor-Management Relations Act of 1947 (LMRA),
  - g. The Racketeer Influenced Corruption Act (RICO),

- h. The Fair Labor Standards Act (FLSA) or any state or local wage and hour or minimum wage law or ordinance, but not including the Equal Pay Act,
  - i. Any workers' compensation, disability benefits or unemployment compensation laws, or
  - j. Any amendments to any such laws, any similar federal, state or local laws, or any regulations promulgated under any such laws;
- 4. Based upon, arising from, or in any way related to any criminal proceeding;
- 5. Based on or arising out of, or in any way related to any compliance with ADA Requirements and any costs, expense or damages incurred or assessed to make premises accessible to persons with disabilities as required by:
  - a. The Americans with Disabilities Act of 1990,
  - b. Any similar federal, state or local law, or
  - c. Any regulations promulgated under any such laws; or
- 6. Based upon or arising out of, or in any way related to any strikes, lockouts, picket lines, temporary or permanent **Employee** replacement, or other similar actions resulting from labor disputes or labor negotiations, or any labor or grievance arbitration pursuant to a collective bargaining agreement.

All other terms and conditions of the Policy remain unchanged

**Aggregate Deductible Damages and Defense – 144481 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

**THIS CHANGE TO DEDUCTIBLE APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED AND ANY ENDORSEMENT ALSO ATTACHED**

**Schedule:**

**Each Claim Deductible Amount:** \$ \_\_\_\_\_

**Aggregate Deductible Amount:** \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE**, C. is deleted in its entirety and replaced by the following:

C. **We** shall only be liable to pay **Loss** and **Claim Expenses** in excess of the Deductible shown in the Schedule above, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.

The Aggregate Deductible limit that applies for all **Claims** first made during the **Policy Period** is the amount shown in the Schedule above as the Aggregate Deductible. The Aggregate Deductible limit applies separately to each consecutive annual **Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Loss Only Deductible With Aggregate Deductible – 144482 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**THIS CHANGE TO DEDUCTIBLE APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED AND ANY ENDORSEMENT ALSO ATTACHED**

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE**, C. is deleted in its entirety and replaced by the following:

- C. **We** shall only be liable to pay **Loss** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.

The Aggregate Deductible limit that applies for all **Claims** first made during the **Policy Period** will not exceed three times the Deductible shown in the Declarations Page. The Aggregate Deductible limit applies separately to each consecutive annual **Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Deductible – Products of Specific Product Provider - 144483 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**Schedule**

**Name of Product Provider:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended by the addition of the following:

In the event of a **Claim** arising from **Professional Services** involving **Covered Products** of the **Product Provider** listed in the Schedule above, the Deductible will be 50% of the Deductible Amount stated in the Declarations, or applicable endorsement.

All other terms and conditions of the Policy remain unchanged,

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Deductible – Limited Waiver - 144484 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended by the addition of the following:

If the **Named Insured** has been continuously insured by **Us** and has not had a **Claim** made against them during the last five years, the Deductible will be waived for the first covered **Claim** made during the current **Policy Period**.

All other terms and conditions of the Policy remain unchanged,

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Amended Territory Endorsement – 144485 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

Section II. **TERRITORY** is deleted in its entirety and replaced by the following:

II. **TERRITORY**

This insurance applies to **Wrongful Acts** committed by an **Insured** anywhere in the world excluding any country or jurisdiction which is the subject of trade or economic embargoes imposed by the laws or regulations of the United States of America.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



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144485 6-07

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**Coverage Exclusion – Designated Individuals or Entities**  
**144486 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability**  
**Insurance Coverage**

**Schedule:**

**Name of Individual(s) or Entity(ies)**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The individuals or entities shown in the Schedule above, including directors, officers or employees of such individuals or entities, are not an **Insured** under this Policy.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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**Fully Funded MEWA (Multiple Employer Welfare Arrangement) Endorsement**  
**144487 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability**  
**Insurance Coverage**

The last paragraph of Section III. **DEFINITIONS** D. is deleted in its entirety and replaced by the following:

**Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended) that is not fully funded by insurance provided by a **Product Provider**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
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## Schedule of Retroactive Dates – 144488 06 07

Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

### Schedule

**Name of Individual(s) or Entity(ies)**

**Retroactive Date**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to the individuals or entities shown in the Schedule above, this insurance applies only to claims arising out of a **Wrongful Act** in the performance of **Professional Services** if:

- A. The **Wrongful Act** takes place on or after the **Retroactive Date** shown opposite that individual's or entity's name in the Schedule above; and
- B. The **Claim** is first made, and if applicable, reported to **Us**, during the **Policy Period** or the Extended Reporting Period, if any.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



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**Non-Pyramiding of Limits Endorsement – 144489 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

- A. If any **Claim** under this policy is also covered by one or more other policies or coverage forms issued by **Us**, or by any other insurer affiliated with **Us**, to:
1. The individual or entity named in the Declarations of this Policy; or
  2. Any individual who controls, is controlled by or is under common control with the individual or entity named in the Declarations of this Policy.

Then with respect to such **Claim**:

- a. **We** shall only be liable under this Policy for that proportion of the **Loss** that the applicable Limit of Insurance under this Policy bears to the total applicable Limits of Insurance of all such policies and coverage forms;
  - b. The maximum amount payable under all such policies and coverage forms shall not exceed the Limit of Insurance of the policy or coverage form which has the highest applicable Limit of Insurance; and
  - c. The Other Insurance Condition under all such policies will not apply.
- B. Nothing contained in this endorsement shall be construed to increase the Limits of Insurance of this Policy.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

## Punitive Damages Exclusion – 144490 06 07

Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

### Schedule – Punitive Damages Exclusion - State(s):

Information required to complete this Schedule, if not shown above, will be shown the Declarations.

Section III. **DEFINITIONS**, I. **Loss** is deleted in its entirety and replaced by the following:

- I. **Loss** means compensatory damages, whether part of an award or settlement, awarded against an **Insured**. **Loss** shall not include:
1. Civil or criminal fines or penalties, or taxes;
  2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;
  3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or
  4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed; or
  5. Punitive or exemplary damages, in whatever form assessed, provided, however, that this exclusion shall apply only to **Claims** made in the States shown in the Schedule above.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

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**Schedule of Named Insureds - 144491 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

**Schedule**

**Name of Individual(s) or Entity(ies)**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Declarations of the Policy is amended to include as a **Named Insured** the individuals or entities shown in the Schedule above.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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**Term of Supplemental Extended Reporting Period - 144492 06 07**  
Policy Amendment

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

A Supplemental Extended Reporting Period of \_\_\_\_\_ duration, is provided as described in Section VI. **CONDITIONS**, paragraph B. **Extended Reporting Period**.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Separate Aggregate Limit for Supplemental Extended Reporting Period – 144493 06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability**  
**Insurance Coverage**

- A. Section VI. **CONDITIONS**, B. **Extended Reporting Period**, 6. Supplemental Extended Reporting Period, item c. is deleted in its entirety and replaced by the following:
- c. **We** will provide a separate Aggregate Limit of Insurance for the Supplemental Extended Reporting Period, but only for **Claims** first made against any **Insured** during the Supplemental Extended Reporting Period.

The Supplemental Extended Reporting Period Aggregate Limit of Insurance shall be equal to the Aggregate Limit of Insurance shown in the Declarations, at the end of the **Policy Period**. The Supplemental Extended Reporting Period Aggregate Limit of Insurance is the most **We** will pay for **Loss** covered by this Policy under the Supplemental Extended Reporting Period. Any payment **We** make for **Loss** will reduce or exhaust the Supplemental Extended Reporting Period Aggregate Limit of Insurance available for payment of **Loss** arising out of any other **Claim**.

All other terms and conditions remain of the Policy unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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## Limited Employment Practices Liability Endorsement – 144494 06 07

Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

### Schedule

#### Limited Employment Practices Liability Coverage

Effective Date \_\_\_\_\_ **Retroactive Date:** \_\_\_\_\_

Deductible: \$ \_\_\_\_\_ Each **Claim**

Limit of Insurance: \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

#### COVERAGE – Limited Employment Practices Liability

A. Section I. **COVERAGE**, A. **Insuring Agreement**, 2. is amended as follows:

2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Schedule above, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured**, and if applicable, reported to **Us** during the **Policy Period** or Extended Reporting Period, if any.

B. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.

C. The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during the **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during the **Policy Period** shown in the Declarations.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



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D. Section III. **DEFINITIONS**, Q. **Wrongful Act** is amended by the addition of the following:

**Wrongful Act** also means **Wrongful Termination**.

E. Section III. **DEFINITIONS** is amended by the addition of the following:

**Employee** shall mean a person employed by the **Named Insured** for wages. **Employee** includes a leased employee and temporary worker but does not include an independent contractor, or any **Employee** or leased employee or temporary worker of an independent contractor.

**Wrongful Termination** means any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by an **Insured** in connection with the termination of the employment relationship between the **Named Insured** and an **Employee**.

F. Section IV. **EXCLUSIONS** is amended by the addition of the following for purposes of the coverage afforded by this endorsement:

1. Based upon or arising from, or in any way involving breach of any agreement, whether written or oral, to limit grounds for termination of employment to specific causes, or
2. Based upon or arising from, or in any way involving breach of any express contract, whether written or oral, to pay any set wages or benefits, overtime, bonuses, commissions severance payments or any similar payments, or to provide or continue benefits of any kind.

All other terms and conditions of the Policy remain unchanged.

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
144212 06 07**

**Notice – This is a Claims Made and Reported Policy.**

THIS MEANS THAT COVERAGE APPLIES ONLY TO A **CLAIM** FIRST MADE AGAINST THE **INSURED** AND REPORTED DURING THE **POLICY PERIOD** OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.

Read this entire Policy carefully to determine **Your** rights and duties, **Our** rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.

Throughout this Policy the words **You** and **Your** refer to the **Insured**. The words **We**, **Us** and **Our** refer to the Company providing this insurance.

Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.

In consideration of the payment of the premium, **Your** promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information **You** furnished to **Us**, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, **We** and **You** agree as follows:

**I. COVERAGE**

**A. Insuring Agreement**

**We** will pay on the **Insured's** behalf all **Loss** which the **Insured** is legally obligated to pay due to a **Wrongful Act** in the rendering of or failure to render **Professional Services** in connection with a **Covered Product**.

This coverage applies to **Wrongful Acts** taking place:

1. During the **Policy Period**, but then only if **Claim** is first made against the **Insured** and reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable, in accordance with Section VI. Conditions D.; or
2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Declarations, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured** and reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



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**B. Defense, Investigation and Settlement of a Claim**

1. **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus **Claim Expenses** up to the date **You** refused to settle such **Claim**;
2. **We** will have the right, but not the duty, to appeal any judgment; and
3. For any **Claim** to which this Policy applies:
  - a. In addition to the Limit of Insurance, **We** shall pay all **Claim Expenses** that **We** incur in any such **Claim**;
  - b. **Our** right and duty to defend the **Insured** and to pay **Claim Expenses** ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;
  - c. The **Insured** may not incur any **Claim Expenses** or admit liability for, make payment for, or settle any **Claim** without **Our** prior written consent, which shall not be unreasonably withheld. **We** shall not be liable for any expense, settlement, assumed obligation or admission to which **We** have not consented; and
  - d. The **Insured** agrees to cooperate with **Us** in the defense, investigation, and settlement of any **Claim** and agrees, as a condition of coverage under this Policy, to submit to **Us** upon request such information and documentation as **We** may require in the investigation and defense of any **Claim**.

**C. Extensions**

**1. Estates and Legal Representatives**

This Policy shall afford coverage for a **Claim** for the **Wrongful Act** of an individual **Insured** made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such **Claim** would have been covered by this Policy.

**2. Spousal Liability**

If a **Claim** against an individual **Insured** includes a **Claim** against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Insured** and the spouse, or property transferred from the **Insured** to the spouse, all **Loss** which such spouse becomes legally obligated to pay by reason of such **Claim** shall be treated for purposes of this Policy as **Loss** which that **Insured** becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal

**Loss.** This coverage extension shall not apply to any act, error, omission, or **Personal and Advertising Injury** committed by the **Insured's** spouse.

D. **Supplemental Payments**

In addition to the Limit of Insurance, **We** shall pay:

1. Any premium for appeal bonds for the covered part of the judgment; provided, however, that **We** have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;
2. Post judgment interest;
3. Prejudgment interest awarded against the **Insured** on that part of the judgment **We** pay. If **We** make an offer to pay the applicable Limit of Insurance, **We** will not pay any prejudgment interest based on that period of time after the offer;
4. All costs awarded against the **Insured** in a **Suit**, but this does not include attorneys' fees awarded to the person or entity bringing the **Claim** or **Suit**;
5. All reasonable expenses incurred by the **Insured** at **Our** request to assist **Us** in the investigation or defense of any **Claim** or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day; and
6. The reasonable attorneys' fees, costs and expenses incurred in responding to an investigation of an **Insured** by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate **Professional Services**, resulting from the **Insured's** performance of **Professional Services**. The maximum **We** will pay for all **Insureds** regardless of the number of investigations is \$35,000 per **Policy Period**. However:
  - a. **We** have the right to select legal counsel; and
  - b. The **Insured** must be first notified of the investigation during the **Policy Period** and must provide **Us** with written notice not later than thirty (30) days after the **Insured** has been notified of the investigation;

provided, however, **We** have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of **Loss**.

II. **TERRITORY**

This insurance applies to **Wrongful Acts** committed by an **Insured** anywhere in the world, provided the **Suit** is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.

III. **DEFINITIONS**

A. **Claim**, either in the singular or plural, means:

1. Any written demand the **Insured** receives for compensatory damages for a **Wrongful Act**, including but not limited to, the institution of arbitration proceedings against the **Insured**;

2. Any **Suit** seeking compensatory damages against the **Insured** for a **Wrongful Act**, commenced by the service of a complaint or similar pleading; or
  3. Any subpoena or deposition notice received by the **Insured** arising out of **Professional Services** rendered by the **Insured**.
- B. **Claim Expenses** means reasonable fees and costs incurred in the defense, investigation or appeal of a **Claim** incurred by any attorney **We** retain or any attorney the **Insured** retains with **Our** written consent. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of the **Insured** that are associated with the defense and investigation of a **Claim** except as provided in Supplemental Payments, Section I. D. above.
- C. **Client** means any entity or individual for whom the **Insured** has agreed to render **Professional Services**, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.
- D. **Covered Product**, either in the singular or plural, means the following products offered by a **Product Provider**:
1. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);
  2. Long Term Care Insurance;
  3.
    - a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and
    - b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans;
  4. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**;
  5. Equity Indexed Annuities; and
  6. Mutual Funds, whether or not offered by a **Product Provider**, which are registered with the Securities Exchange Commission and sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**.
- Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).
- E. **Employee Benefit Plan Administration** means:
1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;

2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or
3. Receipt or transmission of claims and verification of plan participation.

However, **Employee Benefit Plan Administration** does not include the approval or denial of coverage or claims or payment of claims.

- F. **First Named Insured** means the first person or entity shown in the Declarations.
- G. **Insured** means:
1. The **Named Insured**;
  2. Solely while performing **Professional Services** for or on behalf of the **Named Insured**:
    - a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any **Named Insured**;
    - b. Any individual, who was, is, or shall be a leased or loaned worker to the **Named Insured**; or
    - c. An individual while acting as an independent, provided there exists an exclusive written agreement with the **Named Insured** which is in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the Declarations.
- H. **Interrelated Wrongful Acts** means **Wrongful Acts** that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements, or decisions, whether such **Wrongful Acts** involve just the **Insured** or others for whose acts the **Insured** may be legally responsible, or the same or different claimants.
- I. **Loss** means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an **Insured**, but only to the extent such punitive or exemplary damages are insurable under applicable law. **Loss** shall not include:
1. Civil or criminal fines or penalties, or taxes;
  2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;
  3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or
  4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.

J. **Named Insured** means:

1. Any individual or entity shown as a **Named Insured** in the Declarations or by endorsement;
2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the **Named Insured**; and
3. If during the **Policy Period** the **Named Insured**:
  - a. Acquires:
    - i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or
    - ii. Any entity by merger into or consolidation with the **Named Insured**; or
  - b. Forms another entity;

then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any **Claim** involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the **Policy Period**, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the Automatic Coverage Period), but only with respect to **Wrongful Acts** taking place after such acquisition, merger, consolidation or formation.

The **First Named Insured**, as a condition precedent to acquiring further coverage after such Automatic Coverage Period with respect to any **Claim** involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to **Us** as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to **Us** such information as **We** may request.

Upon receipt of such notice and other information, **We** may, at **Our** option, provide to the **First Named Insured** a quotation for coverage under this Policy with respect to any **Claim** involving such entity after such Automatic Coverage Period for the remainder of the **Policy Period**. If the **First Named Insured** fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the **First Named Insured** fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the Automatic Coverage Period.

K. **Personal and Advertising Injury** means:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;

4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual's or entity's goods, products or services;
  5. Oral or written publication of material that violates an individual's right of privacy; misappropriation of advertising ideas; or
  6. Infringement of copyright, trade name, trade dress or service mark.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Product Provider** means any of the following entities, if such entity is not partly or wholly owned by any **Insured**:
1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;
  2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or
  3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.
- N. **Professional Services** means the following services rendered in connection with a **Covered Product** by the **Insured** to a **Client** in the conduct of the **Named Insured's** profession as a Life or Accident and Health Insurance Agent, Broker, General Agent, Brokerage General Agent, or a Notary Public:
1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a **Covered Product**; but not including the sale, surrender, conversion or any alteration of a **Covered Product**, in order to acquire or invest in anything other than a **Covered Product**;
  2. Providing advice or consultation solely related to a **Covered Product**, including financial planning or consulting solely related to a **Covered Product**, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  3. Assisting a **Client** to secure premium financing from a licensed premium finance company for a **Covered Product** placed by or on behalf of the **Insured**;
  4. Training, managing and supervising others, but only in connection with **Covered Products**;
  5. **Employee Benefit Plan Administration**;
  6. Expert witness testimony related to **Professional Services** or a **Covered Product**; or
  7. Insurance class instruction.

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the **Insured's** profession as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.

However, **Professional Services** shall not include:-

- a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:
  - i. Any Multiple Employer Welfare Arrangement;
  - ii. Any health maintenance organization or preferred provider organization;
  - iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or
  - iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;
- b. Any services performed by any **Insured** as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;
- c. Any services which the **Insured** is not licensed to render on any date on which a **Wrongful Act** involving such services is alleged to have occurred, provided that lack of license is due to the **Insured's** deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the **Insured's** knowledge and consent; or
- d. Any commingling, misappropriation or conversion of **Client's** funds.

O. **Retroactive Date** means:

1. The date shown under **Retroactive Date** in the Declarations. If "none" is entered, full prior **Wrongful Acts** coverage is provided, subject to all other terms and conditions of this Policy; and
2. The **Retroactive Date** is the earliest date on which a **Wrongful Act** took place for which coverage could exist for a **Claim** made under this Policy. **Wrongful Acts** which occur in whole or part prior to this date are not covered, even if a **Claim** is made under this Policy and reported to **Us** during the **Policy Period** or Extended Reporting Period.

P. **Suit** means:

A civil proceeding seeking compensatory monetary damages. **Suit** includes:

1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the **Insured** is legally required to submit to arbitration, or does so with **Our** consent; or
2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the **Insured** submits with **Our** consent.

- Q. **Wrongful Act**, either in singular or plural, means:
1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the **Insured** in the rendering of or failure to render **Professional Services**; or
  2. Any actual or alleged negligent **Personal and Advertising Injury** arising out of the **Insured's** rendering of or failure to render **Professional Services**.
- R. **Registered Representative**, means any **Insured** that is:
1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.
- S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.

#### IV. EXCLUSIONS

**We** shall not be liable to make any payment in connection with any **Claim**:

- A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the **Insured** or any **Loss** expected or intended by the **Insured**, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such **Insured** establishing that such **Insured** committed such conduct and applies only to the **Insured** who participated in, acted with knowledge of, or acquiesced to such conduct;
- B. Based upon or arising out of the **Insured** gaining in fact any personal profit or advantage to which such **Insured** was not legally entitled;
- C. Based upon, arising out of, or in any way involving any actual or alleged:
1. Bodily injury, including sickness, injury, disease or death of any person, provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the **Insured's** rendering of or failure to render **Professional Services**, or
  2. Damage to or destruction of any property, including loss of use thereof;
- D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the **Insured**;
- E. Based upon, arising out of, or in any way involving:

1. Any pension, welfare or benefit plan organized for the benefit of employees of any **Insured**, or
  2. Any **Insured's** obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any **Insured** under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;
- F. Based upon, arising out of, or in any way involving any **Insured's** actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. **Professional Services**;
- G. Based upon, arising out of, or in any way involving any sums the **Insured** is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:
1. That the **Insured** would have in the absence of the contract or agreement, or
  2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged **Wrongful Act** for which the **Claim** in question is made, and provided that the coverage for the **Claim** otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the **Insured** are deemed to be **Loss** (and not **Claim Expenses**), provided:
    - a. Liability to such party for, or for the cost of, that party's defense has also been assumed under the written contract or agreement in question, and
    - b. Such attorney fees and litigation expenses are for defense of that party against a **Claim** or **Suit** seeking **Loss** to which this insurance applies;
- H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any **Covered Products**, or as to non-guaranteed interest rates or future premium payments;
- I. Based upon, arising out of, or in any way involving any **Insured's** actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;
- J. Based upon, arising out of, or in any way involving any services performed by the **Insured** whether or not the Insured is licensed as such, as:
1. A tax preparer or advisor (except for tax advice provided directly concerning a **Covered Product**), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,
  2. A financial planner, except as to services directly related to a **Covered Product**, or

3. A securities broker dealer;
- K. Based upon, arising out of, or in any way involving any **Claim** or dispute between **Insureds** or with another insurance agent or broker, or **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative** including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the **Wrongful Act** arises out of **Professional Services** by an **Insured** rendered to such other **Insured**, agent or broker as a **Client**, provided the **Insured** rendering such **Professional Service** does not have any legal or equity interest in the subject of the insurance or investment procured for the **Client**;
  - L. Based upon, arising out of, or in any way involving the **Insured's** unauthorized use or release of any confidential or private information pertaining to any **Client**, any director, manager, partner, member, officer or employee of any **Client** or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the **Insured** seeking coverage;
  - M. Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a **Product Provider**, regardless of when the financial impairment of such entity began and whether or not any **Insured** was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the **Product Provider** was:
    1. An admitted insurance company rated B+ or better by A.M. Best Company,
    2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the **Covered Product** was sold, placed or obtained, or
    3. The **Product Provider** was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;
  - N. Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any **Client's** insurance, coverage, funds, premium, or product with or in any **Product Provider**, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was transacted;
  - O. Based upon, arising out of, or in any way involving any:
    1. Promissory notes,
    2. Viatical or life settlements as investments, or viatical investment pools, or
    3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or
    4. Commodities, futures contracts, or option contracts;
  - P. Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a **Claim** solely

based upon or arising out of the selling or servicing of a **Covered Product** utilized to fund a structured settlement;

Q. Based upon or arising out of:

1. Any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and
2. Any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** which has been the subject of the notice outlined in Q.1., above, would constitute **Interrelated Wrongful Acts**; -

R. For **Personal and Advertising Injury** based upon or arising out of:

1. The oral or written publication of material, if done by or at the direction of the **Insured** with knowledge of its falsity, or
2. The oral or written publication of material whose first publication took place before the **Retroactive Date**;

S. Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or
2. The rules or regulations of:
  - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
  - b. Any state insurance or securities department, commission or agency except as provided in Supplemental Payments I.D.6.;

T. Based upon, or arising out of, or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**;

U. Solely based upon any fluctuation in the market value of any investment covered by this Policy; or

V. Based upon, arising out of, or in any way involving any actual or alleged violation of :

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law,

- c. Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.

## V. LIMIT OF INSURANCE AND DEDUCTIBLE

- A. The Limit of Insurance shown in the Declarations as applicable to each **Claim** is **Our** maximum liability for **Loss** resulting from any one **Claim**. Without regard to the number of **Claims** or **Insureds** against whom a **Claim** has been made, all **Loss** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** will be subject to the each **Claim** limit of liability in effect when the first **Claim** arising out of the **Wrongful Act** or **Interrelated Wrongful Acts** was made.
- B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is **Our** maximum liability for all **Loss** resulting from all **Claims** made during the **Policy Period**.
- C. **We** shall only be liable to pay **Loss** and **Claim Expenses** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.
- D. If **We** pay all or part of any Deductible amount, **We** will notify the **Named Insured** of **Our** payment of the Deductible, and request reimbursement. The **Named Insured** will pay **Us** for the part of the Deductible **We** paid within thirty (30) days of **Our** request.
- E. The Deductible may only be satisfied by an actual cash payment by the **Named Insured** and may not be satisfied by the release of a claim or counterclaim.

## VI. CONDITIONS

### A. Entire Agreement

It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between **You** and **Us**.

### B. Extended Reporting Period

- 1. **We** will provide an Extended Reporting Period as described below if this Policy is cancelled or non-renewed for any reason other than non-payment of premium, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.
- 2. Extended Reporting Periods do not extend the **Policy Period** or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.
- 3. Extended Reporting Periods do not apply to **Claims** that are covered under any subsequent insurance **You** purchase or that would be covered but for exhaustion of the amount of insurance applicable to such **Claims**.
- 4. All **Claims** under Extended Reporting Periods must be reported to **Us** in accordance with Conditions VI. D.

5. Basic Extended Reporting Period

- a. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts at the date of Policy termination or the end of the **Policy Period**, whichever is earlier, and lasts for sixty (60) days.
- b. **Claims** made against the **Insured** within sixty (60) days after Policy termination or the end of the **Policy Period**, whichever is earlier, and which arise out of a **Wrongful Act** that was committed during the **Policy Period** but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

6. Supplemental Extended Reporting Period

- a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. **You** must give **Us** a written request for the endorsement within sixty (60) days after the end of the **Policy Period**, or Policy termination date, whichever is earlier. The Supplemental Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.
- b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. **Claims** made against the **Insured** within the term of the Supplemental Extended Reporting Period which arise out of a **Wrongful Act** that was committed during the **Policy Period**, but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.
- d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:

Term (Years)	Rate (% of Expiring Annual Premium)
1	100%
2	150%
3	200%
4	250%
5	300%
10	500%

- e. If the **Named Insured** fails to notify **Us** of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.

C. **Liberalization**

If **We** adopt a change in **Our** forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in **Your** headquarters state.

D. **Reporting of Potential Claims or Actual Claims**

1. Reporting of Potential Claims

If during the **Policy Period**, **You** first become aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim**, and during the **Policy Period** give written notice to **Us** of such **Wrongful Act** as required below, then any **Claim** subsequently made against **You** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period**.

Written report of a potential **Claim** must include:

- a. The specific facts and circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** and **Clients** involved;
- b. The date and circumstances by which **You** became aware of such **Wrongful Act**; and
- c. The **Loss** that may reasonably result.

2. Reporting of Actual Claims

**You** shall provide notice to **Us** as soon as practicable after a **Claim** is first made against **You**. This notice shall be deemed sent to **Us** only if it is received by **Us** via facsimile or electronic mail or sent by **You** by prepaid registered or return-receipt-requested mail properly addressed to **Us** at the address shown in or attached to this Policy.

Notwithstanding the requirement that the **Claim** must be first made and reported to **Us** during the **Policy Period**, if continuous coverage is in effect pursuant to consecutive policies issued by **Us**, a **Claim** may be first made against the **Insured** during one **Policy Period** and may be reported to **Us** in writing during the consecutive, immediately following **Policy Period** without constituting a violation of this provision, so long as the notice was provided as soon as practicable and without prejudice to **Us**.

E. **Legal Action Against Us**

No person or organization has a right under this Policy:

1. To join **Us** as a party or otherwise bring **Us** into a **Suit** asking for damages from an **Insured**; or
2. To sue **Us** on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an **Insured**; but **We** will not be liable for damages that are not payable

under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by **Us**, the **Insured** and the claimant or the claimant's legal representative.

**F. Subrogation and Assignment**

1. If the **Insured** has rights to recover all or part of any payment **We** have made under this Policy, those rights are transferred to **Us**. The **Insured** must do nothing to impair them. At **Our** request, the **Insured** will bring **Suit** or transfer those rights to **Us** and help **Us** enforce them.
2. **You** may not assign any interest in this Policy unless **We** give **Our** prior written consent.

**G. Changes**

The terms of this Policy shall not be waived or changed, except by endorsement issued by **Us** to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop **Us** from asserting **Our** rights under the terms of this Policy.

**H. Authorization Clause/Notices**

By acceptance of this Policy by payment of premium, **You** agree that the **First Named Insured** shall act on **Your** behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.

**I. Other Insurance**

1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the **Insured** and shall not contribute with other such insurance. If the **Insured** has other insurance for the **Loss** covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.

This provision will not apply if the **Insured** has similar coverage with **Us**, or one of **Our** affiliates. In this event, the **Insured** must elect under which policy the **Claim** will be made.

2. The **Insured** shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:
  - a. Receipt of a **Claim**;
  - b. Obtaining information regarding a potential **Claim**; or
  - c. **We** request such notice be given.

J. **Conformance With State Statutes**

Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to **You** are hereby amended to conform to such statutes.

K. **Cancellation and Nonrenewal**

1. **Cancellation**

- a. The **First Named Insured** may cancel this Policy by mailing or delivering to **Us** advance written notice of cancellation. The **Policy Period** will end on the effective date requested.
- b. **We** may cancel this Policy only in the event of non-payment of premium, and if **We** cancel for non-payment of premium, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.
- c. Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on the date of cancellation.
- d. If this Policy is cancelled, **We** will send the **First Named Insured** any premium refund due. If **We** cancel, the refund will be the pro rata unearned premium. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **We** have not made or offered a refund.
- e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

2. **Non-renewal by Us**

- a. **We** are not required to renew this Policy when it expires.
- b. If **We** elect not to renew this Policy, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.
- c. Notice of non-renewal will state the effective date of non-renewal. The **Policy Period** will end on the date of non-renewal.
- d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

L. **Bankruptcy**

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve **Us** of **Our** obligations under this Policy.

M. **Notification of Change of Control of Named Insured**

If during the **Policy Period** there is an acquisition of the **Named Insured**, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the **Named Insured** with another entity such that the **Named Insured** is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a **Wrongful Act** occurring prior to the acquisition, merger, consolidation, or change in control.

The **Named Insured** shall give **Us** written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information **We** may require.

The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Named Insured**, or the **Named Insured** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.

This Policy is not valid unless a Declarations page is signed by **Our** authorized representative.

IN WITNESS WHEREOF, **We** have caused the signatures of **Our** executive officers to be affixed hereto, and have caused this Policy to be countersigned by **Our** authorized representative.

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance  
Coverage – 144213 06 07**

**Notice – This is a Claims Made Policy.**

THIS MEANS THAT COVERAGE APPLIES ONLY TO A **CLAIM** FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.

Read this entire Policy carefully to determine **Your** rights and duties, **Our** rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.

Throughout this Policy the words **You** and **Your** refer to the **Insured**. The words **We**, **Us** and **Our** refer to the Company providing this insurance.

Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.

In consideration of the payment of the premium, **Your** promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information **You** furnished to **Us**, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, **We** and **You** agree as follows:

**I. COVERAGE**

**A. Insuring Agreement**

**We** will pay on the **Insured's** behalf all **Loss** which the **Insured** is legally obligated to pay due to a **Wrongful Act** in the rendering of or failure to render **Professional Services** in connection with a **Covered Product**.

This coverage applies to **Wrongful Acts** taking place:

1. During the **Policy Period**, but then only if **Claim** is first made against the **Insured** during the **Policy Period** or Extended Reporting Period, if applicable; or
2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Declarations, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**B. Defense, Investigation and Settlement of a Claim**

1. **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus **Claim Expenses** up to the date **You** refused to settle such **Claim**;
2. **We** will have the right, but not the duty, to appeal any judgment; and
3. For any **Claim** to which this Policy applies:
  - a. In addition to the Limit of Insurance, **We** shall pay all **Claim Expenses** that **We** incur in any such **Claim**;
  - b. **Our** right and duty to defend the **Insured** and to pay **Claim Expenses** ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;
  - c. The **Insured** may not incur any **Claim Expenses** or admit liability for, make payment for, or settle any **Claim** without **Our** prior written consent, which shall not be unreasonably withheld. **We** shall not be liable for any expense, settlement, assumed obligation or admission to which **We** have not consented; and
  - d. The **Insured** agrees to cooperate with **Us** in the defense, investigation, and settlement of any **Claim** and agrees, as a condition of coverage under this Policy, to submit to **Us** upon request such information and documentation as **We** may require in the investigation and defense of any **Claim**.

**C. Extensions**

**1. Estates and Legal Representatives**

This Policy shall afford coverage for a **Claim** for the **Wrongful Act** of an individual **Insured** made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such **Claim** would have been covered by this Policy.

**2. Spousal Liability**

If a **Claim** against an individual **Insured** includes a **Claim** against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Insured** and the spouse, or property transferred from the **Insured** to the spouse, all **Loss** which such spouse becomes legally obligated to pay by reason of such **Claim** shall be treated for purposes of this Policy as **Loss** which that **Insured** becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal **Loss**.

This coverage extension shall not apply to any act, error, omission, or **Personal and Advertising Injury** committed by the **Insured's** spouse.

D. **Supplemental Payments**

In addition to the Limit of Insurance, **We** shall pay:

1. Any premium for appeal bonds for the covered part of the judgment; provided, however, that **We** have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;
2. Post judgment interest;
3. Prejudgment interest awarded against the **Insured** on that part of the judgment **We** pay. If **We** make an offer to pay the applicable Limit of Insurance, **We** will not pay any prejudgment interest based on that period of time after the offer;
4. All costs awarded against the **Insured** in a **Suit**, but this does not include attorneys' fees awarded to the person or entity bringing the **Claim** or **Suit**;
5. All reasonable expenses incurred by the **Insured** at **Our** request to assist **Us** in the investigation or defense of any **Claim** or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day;
6. The reasonable attorneys' fees, costs and expenses incurred in responding to an investigation of an **Insured** by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate **Professional Services**, resulting from the **Insured's** performance of **Professional Services**. The maximum **We** will pay for all **Insureds** regardless of the number of investigations is \$35,000 per **Policy Period**. However:
  - a. **We** have the right to select legal counsel; and
  - b. The **Insured** must be first notified of the investigation during the **Policy Period** and must provide **Us** with written notice not later than thirty (30) days after the **Insured** has been notified of the investigation; and
7. For catastrophes which have occurred during the **Policy Period** and have been designated as a catastrophe by Insurance Services Office, Inc., up to \$10,000 per catastrophe subject to a per **Policy Period** Aggregate of \$30,000 for the actual reasonable extra expenses incurred by all **Named Insureds** for assisting in the insurance claims processing needs of their **Client(s)** who have been affected by the catastrophe. Such extra expenses must be incurred beginning on the date of the catastrophe and within ninety (90) days thereafter;

provided, however, **We** have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of **Loss**.

## II. TERRITORY

This insurance applies to **Wrongful Acts** committed by an **Insured** anywhere in the world, provided the **Suit** is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.

## III. DEFINITIONS

A. **Claim**, either in the singular or plural, means:

1. Any written demand the **Insured** receives for compensatory damages for a **Wrongful Act**, including but not limited to, the institution of arbitration proceedings against the **Insured**;
2. Any **Suit** seeking compensatory damages against the **Insured** for a **Wrongful Act**, commenced by the service of a complaint or similar pleading; or
3. Any subpoena or deposition notice received by the **Insured** arising out of **Professional Services** rendered by the **Insured**.

B. **Claim Expenses** means reasonable fees and costs incurred in the defense, investigation or appeal of a **Claim** incurred by any attorney **We** retain or any attorney the **Insured** retains with **Our** written consent. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of the **Insured** that are associated with the defense and investigation of a **Claim** except as provided in Supplemental Payments, Section I.D. above.

C. **Client** means any entity or individual for whom the **Insured** has agreed to render **Professional Services**, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.

D. **Covered Product**, either in the singular or plural, means the following products offered by a **Product Provider**:

1. Property and Casualty Insurance coverage;
2. Fidelity and Surety Bonds;
3. Workers Compensation Insurance;
4. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);
5. Long Term Care Insurance;
6. a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and

- b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans.

**Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).

E. **Employee Benefit Plan Administration** means:

1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;
2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or
3. Receipt or transmission of claims and verification of plan participation.

However, **Employee Benefit Plan Administration** does not include the approval or denial of coverage or claims or payment of claims.

F. **First Named Insured** means the first person or entity shown in the Declarations.

G. **Insured** means:

1. The **Named Insured**;
2. Solely while performing **Professional Services** for or on behalf of the **Named Insured**:
  - a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any **Named Insured**;
  - b. Any individual, who was, is, or shall be a leased or loaned worker to the **Named Insured**; or
  - c. An individual or entity while acting as an independent contractor, provided there exists a written agreement with the **Named Insured** which is in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the Declarations.

H. **Interrelated Wrongful Acts** means **Wrongful Acts** that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements or decisions, whether such **Wrongful Acts** involve just the **Insured** or others for whose acts the **Insured** may be legally responsible, or the same or different claimants.

I. **Loss** means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an **Insured**, but only to the extent such punitive or exemplary damages are insurable under applicable law. **Loss** shall not include:

1. Civil or criminal fines or penalties, or taxes;

2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;
3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or
4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.

J. **Named Insured** means:

1. Any individual or entity shown as a **Named Insured** in the Declarations or by endorsement;
2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the **Named Insured**; and
3. If during the **Policy Period** the **Named Insured**:
  - a. Acquires:
    - i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or
    - ii. Any entity by merger into or consolidation with the **Named Insured**; or
  - b. Forms another entity;

then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any **Claim** involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the **Policy Period**, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the Automatic Coverage Period), but only with respect to **Wrongful Acts** taking place after such acquisition, merger, consolidation or formation.

The **First Named Insured**, as a condition precedent to acquiring further coverage after such Automatic Coverage Period with respect to any **Claim** involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to **Us** as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to **Us** such information as **We** may request.

Upon receipt of such notice and other information, **We** may, at **Our** option, provide to the **First Named Insured** a quotation for coverage under this Policy with respect to any **Claim** involving such entity after such Automatic Coverage Period for the remainder of the **Policy Period**. If the **First Named Insured** fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the **First Named Insured** fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the Automatic Coverage Period.

- K. **Personal and Advertising Injury** means:
1. False arrest, detention or imprisonment;
  2. Malicious prosecution;
  3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;
  4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual's or entity's goods, products or services;
  5. Oral or written publication of material that violates an individual's right of privacy;
  6. Misappropriation of advertising ideas; or
  7. Infringement of copyright, trade name, trade dress or service mark.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Product Provider** means any of the following entities, if such entity is not partly or wholly owned by any **Insured**:
1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;
  2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or
  3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.
- N. **Professional Services** means the following services rendered in connection with a **Covered Product** by the **Insured** to a **Client** in the conduct of the **Named Insured's** profession as an Insurance Agent or Broker or Solicitor, General Agent, Managing General Agent, Surplus Lines Broker, or a Notary Public:
1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a **Covered Product**; but not including the sale, surrender, conversion or any alteration of a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  2. Providing advice or consultation solely related to a **Covered Product**, including financial planning or consulting solely related to a **Covered Product**, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  3. Incidental **Claims** adjusting in connection with first party Property claims draft authority;

4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a **Covered Product**;
5. Providing loss control or risk management services in connection with soliciting, placing, selling or servicing a **Covered Product**;
6. Assisting a **Client** to secure premium financing from a licensed premium finance company for a **Covered Product** placed by or on behalf of the **Insured**;
7. Training, managing and supervising others, but only in connection with **Covered Products**;
8. **Employee Benefit Plan Administration**;
9. Expert witness testimony related to **Professional Services** or a **Covered Product**; or
10. Insurance class instruction.

However, **Professional Services** shall not include: -

- a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:
  - i. Any Multiple Employer Welfare Arrangement;
  - ii. Any health maintenance organization or preferred provider organization;
  - iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or
  - iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;
- b. Any services performed by any **Insured** in their capacity as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;
- c. Any services which the **Insured** is not licensed to render on any date on which a **Wrongful Act** involving such services is alleged to have occurred, provided that lack of license is due to the **Insured's** deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the **Insured's** knowledge and consent; or
- d. Any commingling, misappropriation or conversion of **Client's** funds.

O. **Retroactive Date** means:

1. The date shown under **Retroactive Date** in the Declarations. If "none" is entered, full prior **Wrongful Acts** coverage is provided, subject to all other terms and conditions of this Policy; and
2. The **Retroactive Date** is the earliest date on which a **Wrongful Act** took place for which coverage could exist for a **Claim** made under this Policy. **Wrongful Acts** which occur in whole or part prior to this date are not covered, even if a **Claim** is made under this Policy during the **Policy Period** or Extended Reporting Period.

P. **Suit** means:

A civil proceeding seeking compensatory monetary damages. **Suit** includes:

1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the **Insured** is legally required to submit to arbitration, or does so with **Our** consent; or
2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the **Insured** submits with **Our** consent.

Q. **Wrongful Act**, either in singular or plural, means:

1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the **Insured** in the rendering of or failure to render **Professional Services**; or
2. Any actual or alleged negligent **Personal and Advertising Injury** arising out of the **Insured's** rendering of or failure to render **Professional Services**.

IV. **EXCLUSIONS**

**We** shall not be liable to make any payment in connection with any **Claim**:

- A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the **Insured** or any **Loss** expected or intended by the **Insured**, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such **Insured** establishing that such **Insured** committed such conduct and applies only to the **Insured** who participated in, acted with knowledge of, or acquiesced to such conduct;
- B. Based upon or arising out of the **Insured** gaining in fact any personal profit or advantage to which such **Insured** was not legally entitled;
- C. Based upon, arising out of, or in any way involving any actual or alleged:
  1. Bodily injury, including sickness, injury, disease or death of any person; provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the **Insured's** rendering of or failure to render **Professional Services**, or
  2. Damage to or destruction of any property, including loss of use thereof;
- D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the **Insured**;
- E. Based upon, arising out of, or in any way involving:
  1. Any pension, welfare or benefit plan organized for the benefit of employees of any **Insured**; or

2. Any **Insured's** obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any **Insured** under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;
- F. Based upon, arising out of, or in any way involving any **Insured's** actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. **Professional Services**;
- G. Based upon, arising out of, or in any way involving any sums the **Insured** is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:
1. That the **Insured** would have in the absence of the contract or agreement, or
  2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged **Wrongful Act** for which the **Claim** in question is made, and provided that the coverage for the **Claim** otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the **Insured** are deemed to be **Loss** (and not **Claim Expenses**), provided:
    - a. Liability to such party for, or for the cost of, that party's defense has also been assumed under the written contract or agreement in question, and
    - b. Such attorney fees and litigation expenses are for defense of that party against a **Claim** or **Suit** seeking **Loss** to which this insurance applies;
- H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any **Covered Products** or as to non-guaranteed interest rates or future premium payments;
- I. Based upon, arising out of, or in any way involving any **Insured's** actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;
- J. Based upon, arising out of, or in any way involving any services performed by the **Insured**, whether or not the **Insured** is licensed as such, as:
1. A tax preparer or advisor (except for tax advice provided directly concerning a **Covered Product**), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,
  2. A financial planner, except as to services directly related to a **Covered Product**, or
  3. A registered representative, registered investment advisor or investment advisor representative, or securities broker dealer;

- K. Based upon, arising out of, or in any way involving any **Claim** or dispute between **Insureds** or with another insurance agent or broker, registered representative, registered investment advisor or investment advisor representative including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the **Wrongful Act** arises out of **Professional Services** by an **Insured** rendered to such other **Insured**, agent or broker as a **Client**, provided the **Insured** rendering such **Professional Service** does not have any legal or equity interest in the subject of the insurance or investment procured for the **Client**;
- L. Based upon, arising out of, or in any way involving the **Insured's** unauthorized use or release of any confidential or private information pertaining to any **Client**, any director, manager, partner, member, officer or employee of any **Client** or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the **Insured** seeking coverage;
- M. Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a **Product Provider**, regardless of when the financial impairment of such entity began and whether or not any **Insured** was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the **Product Provider** was:
1. An admitted insurance company rated B+ or better by A.M. Best Company,
  2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the **Covered Product** was sold, placed or obtained, or
  3. The **Product Provider** was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;
- N. Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any **Client's** insurance, coverage, funds, premium, or product with or in any **Product Provider**, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was conducted, provided, however, this exclusion shall not apply with respect to any **Product Provider** authorized or approved as a surplus lines insurer or carrier in the state or jurisdiction in which such business was transacted;
- O. Based upon, arising out of, or in any way involving any:
1. Promissory notes,
  2. Viatical or life settlements as investments, or viatical investment pools, or
  3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or
  4. Commodities, futures contracts, or option contracts;

- P. Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement, provided, however, this exclusion shall not apply to a **Claim** solely based upon or arising out of the selling or servicing of a **Covered Product** utilized to fund a structured settlement;
- Q. Based upon or arising out of:
1. Any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and
  2. Any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** which has been the subject of the notice in Q.1., above, would constitute **Interrelated Wrongful Acts**;
- R. For **Personal and Advertising Injury** based upon or arising out of:
1. The oral or written publication of material, if done by or at the direction of the **Insured** with knowledge of its falsity, or
  2. The oral or written publication of material whose first publication took place before the **Retroactive Date**;
- S. Based upon, arising out of, or in any way involving any actual or alleged violation of :
1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,
  2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law, or
  3. Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.

#### V. **LIMIT OF INSURANCE AND DEDUCTIBLE**

- A. The Limit of Insurance shown in the Declarations as applicable to each **Claim** is **Our** maximum liability for **Loss** resulting from any one **Claim**. Without regard to the number of **Claims** or **Insureds** against whom a **Claim** has been made, all **Loss** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** will be subject to the each **Claim** limit of liability in effect when the first **Claim** arising out of the **Wrongful Act** or **Interrelated Wrongful Acts** was made.
- B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is **Our** maximum liability for all **Loss** resulting from all **Claims** made during the **Policy Period**.
- C. **We** shall only be liable to pay **Loss** and **Claim Expenses** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.

The Aggregate Deductible limit that applies for all **Claims** first made during the **Policy Period** will not exceed three times the Deductible shown in the Declarations Page. The Aggregate Deductible limit applies separately to each consecutive annual **Policy Period**.

- D. If **We** pay all or part of any Deductible amount, **We** will notify the **Named Insured** of **Our** payment of the Deductible, and request reimbursement. The **Named Insured** will pay **Us** for the part of the Deductible **We** paid within thirty (30) days of **Our** request.
- E. The Deductible may only be satisfied by an actual cash payment by the **Named Insured** and may not be satisfied by the release of a claim or counterclaim.

## VI. CONDITIONS

### A. Entire Agreement

It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between **You** and **Us**.

### B. Extended Reporting Period

1. **We** will provide an Extended Reporting Period as described below if this policy is cancelled or non-renewed for any reason other than non-payment of premium, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.
2. Extended Reporting Periods do not extend the **Policy Period** or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.
3. Extended Reporting Periods do not apply to **Claims** that are covered under any subsequent insurance **You** purchase or that would be covered but for exhaustion of the amount of insurance applicable to such **Claims**.
4. All **Claims** under Extended Reporting Periods must be reported to **Us** in accordance with Conditions VI. D.
5. Basic Extended Reporting Period
  - a. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts at the date of Policy termination or the end of the **Policy Period**, whichever is earlier, and lasts for sixty (60) days.
  - b. **Claims** made against the **Insured** within sixty (60) days after Policy termination or the end of the **Policy Period**, whichever is earlier, and which arise out of a **Wrongful Act** that was committed during the **Policy Period** but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
  - c. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
6. Supplemental Extended Reporting Period
  - a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. **You** must give **Us** a written request for the endorsement within sixty (60) days after the end of the **Policy Period**, or Policy termination date, whichever is earlier. The Supplemental

Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.

- b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. **Claims** made against the **Insured** within the term of the Supplemental Extended Reporting Period which arise out of a **Wrongful Act** that was committed during the **Policy Period**, but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.
- d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:

Term (Years)	Rate (% of Expiring Annual Premium)
1	70%
2	100%
3	130%
4	160%
5	200%
10	300%

- e. If the **Named Insured** fails to notify **Us** of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.

**C. Liberalization**

If **We** adopt a change in **Our** forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in **Your** headquarters state.

**D. Reporting of Potential Claims or Actual Claims**

1. Reporting of Potential Claims

If during the **Policy Period**, **You** first become aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim**, and during the **Policy Period** give written notice to **Us** of such **Wrongful Act** as required below, then any **Claim** subsequently made against **You** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period**.

Written report of a potential **Claim** must include:

- a. The specific facts and circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** and **Clients** involved;
- b. The date and circumstances by which **You** became aware of such **Wrongful Act**; and

- c. The **Loss** that may reasonably result.
2. Reporting of Actual Claims

**You** shall provide notice to **Us** as soon as practicable after a **Claim** is first made against **You**. This notice shall be deemed sent to **Us** only if it is received by **Us** via facsimile or electronic mail or sent by **You** by prepaid registered or return-receipt-requested mail properly addressed to **Us** at the address shown in or attached to this Policy.

#### E. **Legal Action Against Us**

No person or organization has a right under this Policy:

1. To join **Us** as a party or otherwise bring **Us** into a **Suit** asking for damages from an **Insured**; or
2. To sue **Us** on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an **Insured**; but **We** will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by **Us**, the **Insured** and the claimant or the claimant's legal representative.

#### F. **Subrogation and Assignment**

1. If the **Insured** has rights to recover all or part of any payment **We** have made under this Policy, those rights are transferred to **Us**. The **Insured** must do nothing to impair them. At **Our** request, the **Insured** will bring **Suit** or transfer those rights to **Us** and help **Us** enforce them.
2. **You** may not assign any interest in this Policy unless **We** give **Our** prior written consent.

#### G. **Changes**

The terms of this Policy shall not be waived or changed, except by endorsement issued by **Us** to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop **Us** from asserting **Our** rights under the terms of this Policy.

#### H. **Authorization Clause/Notices**

By acceptance of this Policy by payment of premium, **You** agree that the **First Named Insured** shall act on **Your** behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.

I. **Other Insurance**

1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the **Insured** and shall not contribute with other such insurance. If the **Insured** has other insurance for the **Loss** covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.

This provision will not apply if the **Insured** has similar coverage with **Us**, or one of **Our** affiliates. In this event, the **Insured** must elect under which policy the **Claim** will be made. –

2. The **Insured** shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:
  - a. Receipt of a **Claim**;
  - b. Obtaining information regarding a potential **Claim**; or
  - c. **We** request such notice be given.

J. **Conformance With State Statutes**

Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to **You** are hereby amended to conform to such statutes.

K. **Cancellation and Nonrenewal**

1. **Cancellation**

- a. The **First Named Insured** may cancel this Policy by mailing or delivering to **Us** advance written notice of cancellation. The **Policy Period** will end on the effective date requested.
- b. **We** may cancel this Policy only in the event of non-payment of premium, and if **We** cancel for non-payment of premium, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.
- c. Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on the date of cancellation.
- d. If this Policy is cancelled, **We** will send the **First Named Insured** any premium refund due. If **We** cancel, the refund will be the pro rata unearned premium. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **We** have not made or offered a refund.
- e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

2. **Non-renewal by Us**

- a. **We** are not required to renew this Policy when it expires.
- b. If **We** elect not to renew this Policy, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.
- c. Notice of non-renewal will state the effective date of non-renewal. The **Policy Period** will end on the date of non-renewal.
- d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

L. **Bankruptcy**

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve **Us** of **Our** obligations under this Policy.

M. **Notification of Change of Control of Named Insured**

If during the **Policy Period** there is an acquisition of the **Named Insured**, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the **Named Insured** with another entity such that the **Named Insured** is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a **Wrongful Act** occurring prior to the acquisition, merger, consolidation, or change in control.

The **Named Insured** shall give **Us** written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information **We** may require.

The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Named Insured**, or the **Named Insured** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.

This Policy is not valid unless a Declarations page is signed by **Our** authorized representative.

IN WITNESS WHEREOF, **We** have caused the signatures of **Our** executive officers to be affixed hereto, and have caused this Policy to be countersigned by **Our** authorized representative.

**Arkansas Changes – 144497 06 07**  
Policy Amendment

This endorsement modifies insurance provided under the following:

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

A. Section VI. **CONDITIONS, B. Policy Extended Reporting Period**, item 1. is deleted in its entirety and replaced by the following:

1. **We** will provide an Extended Reporting Period as described below if this Policy is cancelled or non-renewed for any reason, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.

Within thirty (30) days after this Policy is cancelled or nonrenewed, **We** will advise the **First Named Insured** and the agent or broker of record, in writing, of the availability of, the premium for, and the importance of purchasing, an Extended Reporting Period.

B. Section VI. **CONDITIONS, B. Policy Extended Reporting Period**, 6. Supplemental Extended Reporting Period, item c. is deleted in its entirety and replaced by the following:

- c. **We** will provide a separate Aggregate Limit of Insurance for the Supplemental Extended Reporting Period, but only for **Claims** first made against any **Insured** during the Supplemental Extended Reporting Period.

The Supplemental Extended Reporting Period Aggregate Limit of Insurance shall be equal to the Aggregate Limit of Insurance shown in the Declarations, at the end of the **Policy Period**. The Supplemental Extended Reporting Period Aggregate Limit of Insurance is the most **We** will pay for **Loss** covered by this Policy under the Supplemental Extended Reporting Period. Any payment **We** make for **Loss** will reduce or exhaust the Supplemental Extended Reporting Period Aggregate Limit of Insurance available for payment of **Loss** arising out of any other **Claim**.

C. Section VI. **CONDITIONS, B. Policy Extended Reporting Period**, 6. Supplemental Extended Reporting Period, item e. is deleted.

D. Section VI. **CONDITIONS, K. Cancellation and Nonrenewal**, item 1.d., the following is added:

**We** will refund the pro rata unearned premium if this Policy is cancelled:

- i. By **Us** at **Our** request;
- ii. But rewritten with **Us** or in **Our** company group;
- iii. Because the **Named Insured** no longer has an insurable interest in the property or business operation that is the subject of this insurance; or

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

iv. After the first year of a prepaid Policy that was written for a term of more than one year.

If this Policy is cancelled at the request of the **First Named Insured** for reasons other than i. through iv. above, **We** will refund 90% of the pro rata unearned premium. However, the refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by **Us** to an amount less than the minimum premium due for this Policy.

All other terms and conditions of the Policy remain unchanged.

*SERFF Tracking Number:* FFDC-125413966      *State:* Arkansas  
*First Filing Company:* American Automobile Insurance Company, ...      *State Tracking Number:* EFT \$75  
*Company Tracking Number:* NARPL0207-F  
*TOI:* 17.1 Other Liability - Claims Made Only      *Sub-TOI:* 17.1019 Professional Errors & Omissions  
Liability  
*Product Name:* Professional Liability for Insurance Agents Errors & Omissions Revision  
*Project Name/Number:* Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$75  
 Company Tracking Number: NARPL0207-F  
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability  
 Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
 Project Name/Number: Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

## Supporting Document Schedules

**Review Status:**  
**Bypassed -Name:** Uniform Transmittal Document- Property & Casualty **Approved** 02/12/2008  
**Bypass Reason:** Not applicable to this filing  
**Comments:**

**Review Status:**  
**Satisfied -Name:** AR Change Table **Approved** 02/12/2008  
**Comments:**  
**Attachment:**  
 Ins Agts E&O - Forms Change Table AR.pdf

**Review Status:**  
**Satisfied -Name:** Side by Side **Approved** 02/12/2008  
**Comments:**  
**Attachments:**  
 144212 SideXSide - Final.pdf  
 144213 SideXSide Final.pdf

**Review Status:**  
**Satisfied -Name:** Marked Copies **Approved** 02/12/2008  
**Comments:**  
**Attachment:**  
 All Marked Copies.pdf

**Review Status:**  
**Satisfied -Name:** Supporting Exhibits **Approved** 02/12/2008  
**Comments:**  
**Attachment:**  
 Ins Agnts EO - Supporting Exh.pdf



## Insurance Agents Errors & Omissions Forms Change Table - Arkansas

(Listing of new, revised and withdrawn forms)

**\*Applies to Agents E&O Coverage Form:**

1 = Independent Life Agents [144212 06 07](#)

2 = Independent P&C Agents [144213 06 07](#)

\*\*M = Mandatory/O = Optional

New Form Number (Or Withdrawn)	Old Form # (Or new)	Applies to Form *	Form Title	M/O **	Comments which include: ➤ Notations of changes if form replaces a prior edition; and ➤ Brief description of form
144208 06 07	144208 03 06	1	Declarations – Independent Life Ins agents policy dec	M	Changed edition to match-up with 06 07 policy form
144209 06 07	144209 03 06	2	Declarations – Independent P&C Ins agents policy dec	M	Removed “and Reported” in the claims made notice and changed edition to match-up with 06 07 policy form
144212 06 07	144212 09 05	1	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	M	Policy text; See attached Side-by-side comparison for changes between 09 05 & 06 07 editions of 144212.
144213 06 07	144213 09 05	2	Independent P&C Insurance Agents Errors and Omissions Liability Insurance Coverage	M	Policy text; See attached Side-by-side comparison for changes between 09 05 & 06 07 editions of 144213.
143307 06 07	143307 09 05	1,2	Additional Insured Personal Production	O	Adds definition of “Personal Production” for clarity. The endorsement provides coverage for personal production of employees
144217 06 07	144217 09 05	1,2	Additional Insured Endorsement	O	Amended text to fit with 06 07 edition 144212 and 144213.  Provides additional insured status for scheduled individuals and entities.
144218 06 07	144218 09 05	1, 2	Additional Insured Endorsement – Vicarious Liability	O	Amended text to fit with 06 07 edition 144212 and 144213.  Provides vicarious liability for specified individuals or entities.
144219 06 07	144219 09 05	2	Additional Product Provider Endorsement	O	Changed to schedule additional product providers.  Endorsement now applies for use only with Independent P&C form, 144213.
<b>Withdrawn</b>	144223 07 04	---	Claims Notice Address Amendment	---	Claim notice information to be handled by policyholder message
144224 06 07	144224 07 04	1, 2	Amended Consent to Settlement Endorsement	O	Changed text and item identifiers to match-up with policy form changes.
<b>Withdrawn</b>	144227 09 05	1, 2	Additional Named Insured (Automatic 60 Day Coverage) Endorsement	---	Coverage now included within 06 07 editions of 144212 & 144213
144230 06 07	144230 07 04	1	Loss Only Deductible	O	Now applies only to Independent Life form, 144212. Changed title; Amended text to match-up with policy form changes.
144238 06 07	144238 09 05	2	Financial Products: Variable and Equity Indexed Products Extension Endorsement	O	Changed title; Amended text and item identifiers to match-up with policy form changes.  Financial product extension now only for the Independent P&C form, 144213. It no longer applies to the Independent Life form, 144212, because the coverage is now included under 144212.

## Insurance Agents Errors & Omissions Forms Change Table – Arkansas - Continued

(Listing of new, revised and withdrawn forms)

**\*Applies to Agents E&O Coverage Form:**

1 = Independent Life Agents [144212 06 07](#)

2 = Independent P&C Agents [144213 06 07](#)

**\*\*M = Mandatory/O = Optional**

New Form Number (Or Withdrawn)	Old Form # (Or new)	Applies to Form *	Form Title	M/O **	Comments which include: ➤ Notations of changes if form replaces a prior edition; and ➤ Brief description of form
144240 06 07	144240 09 05	2	Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension Endorsement	O	Changed title; Amended text and item identifiers to match-up with policy form changes.  Financial product extension now only for the Independent P&C form, 144213. It no longer applies to the Independent Life form, 144212, because the coverage is now included under 144212.
144242 06 07	144242 09 05	2	Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities Extension Endorsement	O	Changed title; Amended text and item identifiers to match-up with policy form changes.  Financial product extension now only for the Independent P&C form, 144213. Refer to 144477 for the comparable endorsement now applicable to the Independent Life form.
<b>Withdrawn</b>	144248 09 05	---	Mold Exclusion	---	
<b>Withdrawn</b>	144251 08 04	---	Pyramiding of Limits	---	obsolete
<b>Withdrawn</b>	144260 07 04	---	Supplementary Payments - Subpoena Endorsement	---	obsolete
144263 06 07	144263 09 05	1,2	Defense Within Limits	O	Revised text to match-up with policy form changes.
144317 06 07	144317 09 05	1	Specified Independent Contractors	O	Amended text to fit with policy form changes.
144318 06 07	144318 09 05	1	Specified Independent Contractors with Separate Shared Limit	O	Amended text to fit with policy form changes.
144319 06 07	144319 09 05	1	Blanket Independent Contractors	O	Amended text to fit with policy form changes.
<b>Withdrawn</b>	144344 09 05	---	Independent Contractors with Exclusive Agreements	---	obsolete
<b>Withdrawn</b>	144345 09 05	---	Amended Definitions for Wholesale Agencies	---	obsolete
<b>Withdrawn</b>	144346 09 05	---	Exclusion Property, Casualty and Workers Compensation Insurance Products	---	obsolete
144362 06 07	New	1,2	Employment Practices Wrongful Act Endorsement	O	Adds employment practices liability coverage.
144474 06 07	New	1,2	Additional Insured - Limited Personal Production	O	Limits coverage for personal production of employees per contract scheduled.
144475 06 07	New	1,2	Amendment of Insolvency Exclusion	O	Allows scheduling of product providers that will not be subject to the policy insolvency exclusion
144476 06 07	New	2	Exclusion – Life, Accident & Health Products	O	Excludes life, accident & health product coverage & is for use only with Independent P&C form.
144477 06 07	New	1	Financial Products: Securities Extension Endorsement	O	Financial product – securities extension for use only with Independent Life form.
144478 06 07	New	1	Property & Casualty Insurance Products Coverage Extension	O	Used to add property & casualty product coverage under the Independent Life policy.
144479 06 07	New	2	Specified Independent Contractors Limitation	O	Limits independent contractor coverage to individuals and entities scheduled on the endorsement
144480 06 07	New	1,2	Employment Practices Wrongful Act With Limited Third Party Liability Endorsement	O	Adds employment practices coverage with limited third party liability.
144481 06 07	New	1	Aggregate Deductible Damages & Defense	O	Applies only to Independent life form 144212. Endorsement provides option for aggregate deductible.

## Insurance Agents Errors & Omissions Forms Change Table – Arkansas - Continued

(Listing of new, revised and withdrawn forms)

**\*Applies to Agents E&O Coverage Form:**

1 = Independent Life Agents [144212 06 07](#)

2 = Independent P&C Agents [144213 06 07](#)

**\*\*M = Mandatory/O = Optional**

New Form Number (Or Withdrawn)	Old Form # (Or new)	Applies to Form *	Form Title	M/O **	Comments which include: ➤ Notations of changes if form replaces a prior edition; and ➤ Brief description of form
144482 06 07	New	2	Loss Only Deductible With Aggregate Deductible	O	Applies deductible to Loss only & is for use only with Independent P&C form 144213.
144483 06 07	New	1,2	Deductible – Products of Specific Product Provider	O	Allows option to add deductible applicable to a specific product provider.
144484 06 07	New	1,2	Deductible Limited Waiver	O	Provides limited deductible waiver.
144485 06 07	New	1, 2	Amended Territory Endorsement	O	Amends Section II – Territory to provide worldwide coverage.
144486 06 07	New	1,2	Coverage Exclusion – Designated Individuals or Entities	O	Excludes coverage for designated individuals or entities.
144487 06 07	New	1,2	Fully Funded MEWA (Multiple Employer Welfare Arrangement) Endorsement	O	Endorsement revises definition of covered product to include fully funded MEWA.
144488 06 07	New	1,2	Schedule of Retroactive Dates	O	Changed title and amended text to match-up with policy form changes.
144489 06 07	New	1,2	Non Pyramiding of Limits Endorsement	O	Amended text and item identifiers to match-up with policy form changes.
144490 06 07	New	1,2	Punitive Damages Exclusion	O	Excludes punitive damages for state(s) as designated on the endorsement.
144491 06 07	New	1,2	Schedule of Named Insureds	O	Lists named insureds that do not fit on the Declarations page.
144492 06 07	New	1,2	Term of Supplemental Extended Reporting Period	O	Endorsement issued to insured confirming purchase of supplemental extended reporting period.
144493 06 07	New	1,2	Separate Aggregate Limit for Supplemental Extended Reporting Period	O	Provides separate aggregate limit for supplemental extended reporting period.
144494 06 07	New	1,2	Limited Employment Practices Liability Endorsement	O	Provides limited EPL coverage.
144497 06 07	New	1,2	Arkansas Changes	M	Addresses AR requirements.

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage – 144212  
Fireman’s Fund Insurance Companies®**

144212 09 05	144212 06 07	Comments
<p align="center"><b>INDEPENDENT LIFE INSURANCE AGENTS ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE</b></p> <p align="center"><b>NOTICE – THIS IS A “CLAIMS MADE AND REPORTED” POLICY.</b></p> <p>THIS MEANS THAT COVERAGE APPLIES ONLY TO A CLAIM FIRST MADE AGAINST THE INSURED AND REPORTED DURING THE POLICY PERIOD OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD, EXCEPT TO THE EXTENT AS MAY OTHERWISE BE PROVIDED IN THE POLICY.</p> <p>Read this entire Policy carefully to determine Your rights and duties, Our rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.</p> <p>Throughout this Policy the words You and Your refer to the Insured. The words We, Us and Our refer to the Company providing this insurance.</p> <p>In consideration of the payment of the premium, Your promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information You furnished to Us, including the statements made in the Application and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, We and You agree as follows:</p>	<p><b>Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage 144212 06 07</b></p> <p><b>Notice – This is a Claims Made and Reported Policy.</b></p> <p>THIS MEANS THAT COVERAGE APPLIES ONLY TO A CLAIM FIRST MADE AGAINST THE INSURED AND REPORTED DURING THE POLICY PERIOD OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.</p> <p>Read this entire Policy carefully to determine Your rights and duties, Our rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.</p> <p>Throughout this Policy the words You and Your refer to the Insured. The words We, Us and Our refer to the Company providing this insurance.</p> <p>Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.</p> <p>In consideration of the payment of the premium, Your promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information You furnished to Us, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, We and You agree as follows:</p>	<p>Same except refer to Section III. Definitions re: terms appearing in bold-face and in the 4<sup>th</sup> paragraph “...statements made in the Application” changed to read “...representations made in the Application.”</p>
<p><b>I. COVERAGE</b></p> <p><b>A. Insuring Agreement</b></p> <p>We will pay on Your behalf all Loss which You are legally obligated to pay as a result of a Claim first made against You and reported to Us during the Policy Period in accordance with Section VI. Conditions H.2., provided that such Claim is for a Wrongful Act in the rendering of or failure to render Professional Services in connection with a Covered Product if that Wrongful Act occurs wholly after the Retroactive Date shown in the Declarations.</p>	<p><b>I. COVERAGE</b></p> <p><b>A. Insuring Agreement</b></p> <p>We will pay on the Insured’s behalf all Loss which the Insured is legally obligated to pay due to a Wrongful Act in the rendering of or failure to render Professional Services in connection with a Covered Product.</p> <p>This coverage applies to Wrongful Acts taking place:</p> <ol style="list-style-type: none"> <li>1. During the Policy Period, but then only if Claim is first made against the Insured and reported to Us during the Policy Period or Extended Reporting Period, if applicable, in accordance with Section VI. Conditions D.; or</li> <li>2. Prior to the effective date of this Policy, but after the Retroactive Date, if any, stated in the Declarations, provided that: <ol style="list-style-type: none"> <li>a. As of the effective date of this Policy, the Insured does not have actual or constructive knowledge of any circumstances or Wrongful Act which could reasonably be expected to result in a Claim;</li> <li>b. There is no other valid and collectible insurance available to the Insured for any such prior Wrongful Act; and</li> <li>c. Claim is first made against the Insured and reported to Us during the Policy Period or Extended Reporting Period, if applicable.</li> </ol> </li> </ol>	<p>Insuring Agreement changed so that pattern is similar to ISO-style, including treatment of circumstances or <b>Wrongful Acts</b> known to the <b>Insured</b> as of the effective date of the policy.</p>

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<p><b>B. Extensions</b></p> <p><b>1. Estates and Legal Representatives</b></p> <p>This Policy shall afford coverage for a Claim for the Wrongful Act of a natural person Insured made against the estates, heirs or legal representatives of such Insured who is deceased, or against the legal representatives of such Insured who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such Claim would have been covered by this Policy.</p> <p><b>2. Spousal Liability</b></p> <p>If a Claim against a natural person Insured includes a claim against such Insured’s lawful spouse solely by reason of such person’s legal status as a spouse of such Insured, including a claim that seeks damages recoverable from marital community property, property jointly held by the natural person Insured and the spouse, or property transferred from the natural person Insured to the spouse, all loss which such spouse becomes legally obligated to pay by reason of such claim shall be treated for purposes of this Policy as Loss which such Insured becomes legally obligated to pay. All terms and conditions of this Policy, including without limitation the Deductible, shall apply to such spousal loss. This coverage extension shall not apply to any act, error, omission, or Personal Injury committed by such Insured’s spouse.</p>	<p><b>B. Defense, Investigation and Settlement of a Claim</b></p> <p>1. We have the right and duty to defend the Insured, including the right to select counsel, against any Suit brought against the Insured for which coverage under this Policy applies. However, We will have no duty to defend the Insured against any Suit for which there is no coverage under this Policy. We have the right to conduct any investigation or negotiation and, with Your consent, make any settlement of any Claim. If You refuse to consent to any settlement acceptable to the claimant that We recommend, then, subject to the Limit of Insurance shown in the Declarations, Our liability for such Claim will not exceed the amount for which such Claim could have been settled plus Claim Expenses up to the date You refused to settle such Claim;</p> <p>2. We will have the right, but not the duty, to appeal any judgment; and</p> <p>3. For any Claim to which this Policy applies:</p> <p>a. In addition to the Limit of Insurance, We shall pay all Claim Expenses that We incur in any such Claim;</p> <p>b. Our right and duty to defend the Insured and to pay Claim Expenses ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;</p> <p>c. The Insured may not incur any Claim Expenses or admit liability for, make payment for, or settle any Claim without Our prior written consent, which shall not be unreasonably withheld. We shall not be liable for any expense, settlement, assumed obligation or admission to which We have not consented; and</p> <p>d. The Insured agrees to cooperate with Us in the defense, investigation, and settlement of any Claim and agrees, as a condition of coverage under this Policy, to submit to Us upon request such information and documentation as We may require in the investigation and defense of any Claim.</p>	<p>Extensions C. under edition 06 07. Refer below for comments.</p> <p>Defense provisions now B. under edition 06 07. Text changes are for clarity. Our defense obligation is same as under the prior edition.</p>
<p><b>C. Defense, Investigation and Settlement of a Claim</b></p> <p>1. With respect to insurance provided by this Policy, We have the right and duty to defend You, including the right to select counsel, for any civil proceeding brought against you. We shall have the right to conduct any investigation or negotiation and, with the Your consent, make any settlement of any Claim. If You refuse to consent to any settlement acceptable to the claimant that We recommend, then, subject to the Limit of Insurance shown in the Declarations, Our liability for such Claim will not exceed the amount for which such Claim could have been settled plus Claim Expenses up to the date You refused to settle such Claim.</p> <p>For any Claim to which this Policy applies:</p> <p>2. In addition to the Limit of Insurance, We shall pay all Claim Expenses that We incur in any such Claim until the Limit of Insurance shown in the Declarations is exhausted. We have no obligation to pay Claim Expenses, to defend, or to indemnify, once the Limit of Insurance is exhausted.</p>	<p><b>C. Extensions</b></p> <p><b>1. Estates and Legal Representatives</b></p> <p>This Policy shall afford coverage for a Claim for the Wrongful Act of an individual Insured made against the estates, heirs or legal representatives of such Insured who is deceased, or against the legal representatives of such Insured who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such Claim would have been covered by this Policy.</p> <p><b>2. Spousal Liability</b></p> <p>If a Claim against an individual Insured includes a Claim against such Insured’s lawful spouse solely by reason of such person’s legal status as a spouse of such Insured, including a Claim that seeks damages recoverable from marital community property, property jointly held by the Insured and the spouse, or property transferred from the Insured to the spouse, all Loss which such spouse becomes legally obligated to pay by reason of such Claim shall be treated for purposes of this Policy as Loss which that Insured becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal Loss. This coverage extension shall not apply to any act, error, omission, or Personal and Advertising Injury committed by the Insured’s spouse.</p>	<p>Defense now B. ; Refer above.</p> <p>Extensions now C. (was B. under prior edition). Under Spousal liability, “Individual” or “Insured” is used in lieu of ‘natural person’.</p> <p>Last line under C.2. Spousal Liability, “Personal Injury”, changed to read “Personal and Advertising Injury”</p>

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<p>3. Our obligation to defend You and to pay Claim Expenses ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of Loss or by deposit or tender of the Limit of Insurance into Court.</p> <p>4. You may not incur any Claim Expenses or admit liability for or settle any Claim without Our prior written consent, which shall not be unreasonably withheld. We shall not be liable for any expense, settlement, assumed obligation or admission to which We have not consented.</p> <p>5. You agree to cooperate with Us in the defense, investigation, and settlement of any Claim and agree, as a condition of coverage under this Policy, to submit to Us upon request such information and documentation as We may require in the investigation and defense of any Claim.</p>		
<p><b>D. Supplemental Payments</b></p> <p>In addition to the Limit of Insurance, We shall pay:</p> <ol style="list-style-type: none"> <li>Any premium for appeal bonds for the covered part of the judgment provided, however, that We have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;</li> <li>Post judgment interest; and</li> <li>All reasonable expenses incurred by the Insured at Our request to assist Us in the investigation or defense of any Claim, including actual loss of earnings because of time off work, up to \$250 per day;</li> </ol> <p>provided, however, We have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is extinguished by payment of Loss.</p>	<p><b>D. Supplemental Payments</b></p> <p>In addition to the Limit of Insurance, We shall pay:</p> <ol style="list-style-type: none"> <li>Any premium for appeal bonds for the covered part of the judgment; provided, however, that We have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;</li> <li>Post judgment interest;</li> <li>Prejudgment interest awarded against the Insured on that part of the judgment We pay. If We make an offer to pay the applicable Limit of Insurance, We will not pay any prejudgment interest based on that period of time after the offer;</li> <li>All costs awarded against the Insured in a Suit, but this does not include attorneys' fees awarded to the person or entity bringing the Claim or Suit;</li> <li>All reasonable expenses incurred by the Insured at Our request to assist Us in the investigation or defense of any Claim or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day; and</li> <li>The reasonable attorneys' fees, costs and expenses incurred in responding to an investigation of an Insured by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate Professional Services, resulting from the Insured's performance of Professional Services. The maximum We will pay for all Insureds regardless of the number of investigations is \$35,000 per Policy Period. However:             <ol style="list-style-type: none"> <li>We have the right to select legal counsel; and</li> <li>The Insured must be first notified of the investigation during the Policy Period and must provide Us with written notice not later than thirty (30) days after the Insured has been notified of the investigation;</li> </ol> </li> </ol> <p>provided, however, We have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of Loss.</p>	<p>Supplemental Payments changed to follow ISO pattern for such payments, along with the following additional enhancements:</p> <ul style="list-style-type: none"> <li>Item 5. reasonable expenses now \$500 per day (vs. \$250 in prior edition); and</li> <li>Item 6 adds \$35,000 for attorney fees, costs and expenses related to an investigation by state licensing board, professional regulatory agency or a governmental agency related to the Insured's performance of Professional Services.</li> </ul>

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<p><b>II. Territory</b></p> <p>This insurance applies to <b>Wrongful Acts</b> committed by an <b>Insured</b> anywhere in the world, provided the entire <b>Claim</b> is made within the United States of America, its territories and possessions, Puerto Rico or Canada.</p>	<p><b>II. TERRITORY</b></p> <p>This insurance applies to <b>Wrongful Acts</b> committed by an <b>Insured</b> anywhere in the world, provided the <b>Suit</b> is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.</p>	<p>Territory now reads similar to ISO</p>
<p><b>III. DEFINITIONS</b></p> <p>A. <b>Claim</b>, either in the singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any written demand <b>You</b> receive for compensatory damages or services for a <b>Wrongful Act</b>, including but not limited to, the institution of arbitration proceedings against <b>You</b>, or</li> <li>Any civil proceeding seeking compensatory damages against <b>You</b> for a <b>Wrongful Act</b>, commenced by the service of a complaint or similar pleading.</li> </ol> <p>All <b>Claims</b> against the <b>Insured</b> arising out of the same <b>Wrongful Act</b> or <b>Interrelated Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants, will be considered one <b>Claim</b>. All <b>Claims</b> arising out of <b>Interrelated Wrongful Acts</b> will be considered first made at the time the earliest such <b>Claim</b> was made against the <b>Insured</b>.</p> <p>B. <b>Claim Expenses</b> means reasonable fees and costs incurred in the defense, investigation or appeal of a <b>Claim</b> incurred by any lawyer that <b>We</b> retain or any lawyer that <b>You</b> retain with <b>Our</b> written consent. <b>Claim Expenses</b> shall not include any remuneration, salaries, regular or overtime wages, or benefits of the <b>Insured</b> that are associated with the defense and investigation of a <b>Claim</b> except as provided in Supplemental Payments, Section I. D. above.</p>	<p><b>III. DEFINITIONS</b></p> <p>A. <b>Claim</b>, either in the singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any written demand the <b>Insured</b> receives for compensatory damages for a <b>Wrongful Act</b>, including but not limited to, the institution of arbitration proceedings against the <b>Insured</b>;</li> <li>Any <b>Suit</b> seeking compensatory damages against the <b>Insured</b> for a <b>Wrongful Act</b>, commenced by the service of a complaint or similar pleading; or</li> <li>Any subpoena or deposition notice received by the <b>Insured</b> arising out of <b>Professional Services</b> rendered by the <b>Insured</b>.</li> </ol> <p>B. <b>Claim Expenses</b> means reasonable fees and costs incurred in the defense, investigation or appeal of a <b>Claim</b> incurred by any attorney <b>We</b> retain or any attorney the <b>Insured</b> retains with <b>Our</b> written consent. <b>Claim Expenses</b> shall not include any remuneration, salaries, regular or overtime wages, or benefits of the <b>Insured</b> that are associated with the defense and investigation of a <b>Claim</b> except as provided in Supplemental Payments, Section I. D. above.</p>	<p>Throughout the Definitions, references to “<b>You</b>” have been replaced by “the <b>Insured</b>” or “<b>Named Insured</b>” as appropriate. Corrected bold-face where appropriate as well. Any additional changes are so noted.</p> <p><b>A. Claim :</b></p> <ul style="list-style-type: none"> <li>Item 2. now refers to <b>Suit</b> (rather than “civil proceeding”); Civil proceeding is contained within definition of <b>Suit</b>.</li> <li>Item 3., is new;</li> <li>Verbiage in last paragraph moved to section V.A. in edition 06 07 form.</li> </ul> <p><b>B. Claim Expenses,</b> “lawyer” changed to read “attorney”.</p>

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<p>C. <b>Client</b>, either in the singular or plural, means any entity or natural person to whom the <b>Named Insured</b> has agreed to render <b>Professional Services</b>, including any appointed administrator, beneficiary, executor, receiver, or trustee of such natural person or entity.</p> <p>D. <b>Covered Product</b>, either in the singular or plural, means the following products offered by a <b>Product Provider</b>:</p> <ol style="list-style-type: none"> <li>1. Property and casualty insurance;</li> <li>2. Workers Compensation Insurance</li> <li>3. Life Insurance, other than Variable Life Insurance products;</li> <li>4. Accident and Health Insurance;</li> <li>5. Disability Income Insurance;</li> <li>6. Fixed Annuities, including Individual Retirement Annuities; or</li> <li>7. Group Employee Benefit Plans, Life, Accident and Health Plans or Disability Plans, provided such Plans are fully insured at all times, but not including Group or Ordinary Pension or Profit Sharing Plans, Keogh Plans, 401(k) or 501(b) Plans; or</li> <li>8. Expert witness testimony related to or not related to a <b>Product Provider</b>.</li> </ol> <p>Covered Product does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in the Employee Retirement Income Security Act of 1974 including any amendments thereto).</p>	<p>C. <b>Client</b> means any entity or individual for whom the <b>Insured</b> has agreed to render <b>Professional Services</b>, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.</p> <p>D. <b>Covered Product</b>, either in the singular or plural, means the following products offered by a <b>Product Provider</b>:</p> <ol style="list-style-type: none"> <li>1. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);</li> <li>2. Long Term Care Insurance;</li> <li>3. <ol style="list-style-type: none"> <li>a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and</li> <li>b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans;</li> </ol> </li> <li>4. Variable life and variable annuity products sold or serviced by the <b>Insured</b> as a properly licensed <b>Registered Representative</b> or <b>Registered Investment Advisor</b> or <b>Investment Advisor Representative</b>;</li> <li>5. Equity Indexed Annuities; and</li> <li>6. Mutual Funds, whether or not offered by a <b>Product Provider</b>, which are registered with the Securities Exchange Commission and sold or serviced by the <b>Insured</b> as a properly licensed <b>Registered Representative</b> or <b>Registered Investment Advisor</b> or <b>Investment Advisor Representative</b>.</li> </ol> <p>Covered Product does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).</p>	<p><b>C. Client</b> – removed “either in the singular or plural” and “natural person” changed to read “individual”</p> <p><b>D. Covered Product</b> - Removed Property and casualty products; Will provide by endorsement as needed.</p> <p>Added financial product coverage previously done by endorsement</p>
	<p>E. <b>Employee Benefit Plan Administration</b> means:</p> <ol style="list-style-type: none"> <li>1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;</li> <li>2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or</li> <li>3. Receipt or transmission of claims and verification of plan participation.</li> </ol> <p>However, <b>Employee Benefit Plan Administration</b> does not include the approval or denial of coverage or claims or payment of claims.</p>	<p><b>E. Employee Benefit Plan Administration</b> - new</p>
<p>E. <b>First Named Insured</b> means the person or entity identified in Item 1. of the Declarations.</p>	<p>F. <b>First Named Insured</b> means the first person or entity shown in the Declarations.</p>	<p><b>F. First Named Insured</b> (Was E.) – minor edit</p>

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<p><b>F. Insured, either in the singular or plural, means:</b></p> <ol style="list-style-type: none"> <li><b>1. The Named Insured;</b></li> <li>2. Any natural person who was, now is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any <b>Named Insured</b>, but solely while performing <b>Professional Services</b>; or</li> <li>3. Any natural person, while acting within the course and scope of his or her duties on behalf of the <b>Named Insured</b>, who was, now is or shall be a leased or loaned worker to the <b>Named Insured</b>, but solely while performing <b>Professional Services</b>; or</li> <li>4. Any independent contractor, but solely while performing <b>Professional Services</b> with respect to business placed through or serviced by the <b>Named Insured</b> pursuant to a written contract with the <b>Named Insured</b>.</li> </ol>	<p><b>G. Insured means:</b></p> <ol style="list-style-type: none"> <li>1. <b>The Named Insured;</b></li> <li>2. <b>Solely while performing Professional Services for or on behalf of the Named Insured:</b> <ol style="list-style-type: none"> <li>a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any <b>Named Insured</b>;</li> <li>b. Any individual, who was, is, or shall be a leased or loaned worker to the <b>Named Insured</b>; or</li> <li>c. An individual while acting as an independent, provided there exists an exclusive written agreement with the <b>Named Insured</b> which is in effect at the time of the <b>Wrongful Act</b> for which Claim is being made, as long as that <b>Wrongful Act</b> is after the <b>Retroactive Date</b>, if any, shown in the <b>Declarations</b>.</li> </ol> </li> </ol>	<p><b>G. Insured</b> (was F.) Changed “natural person” to read “individual or entity” and clarified Independent Contractor coverage.</p>
<p><b>G. Interrelated Wrongful Acts</b>, either in the plural or the singular, means <b>Wrongful Acts</b> that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements, or decisions, whether such <b>Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants.</p> <p><b>H. Loss</b> means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an <b>Insured</b>, but only to the extent such punitive or exemplary damages are insurable under the applicable law most favorable to such <b>Insured</b>. <b>Loss</b> shall not include:</p> <ol style="list-style-type: none"> <li>1. Civil or criminal fines or penalties, or taxes;</li> <li>2. The multiplied portion of any multiple damages award;</li> <li>3. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief;</li> <li>4. The return or withdrawal of fees, commissions, or brokerage charges; or</li> <li>5. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.</li> </ol>	<p><b>H. Interrelated Wrongful Acts</b> means <b>Wrongful Acts</b> that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements, or decisions, whether such <b>Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants.</p> <p><b>I. Loss</b> means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an <b>Insured</b>, but only to the extent such punitive or exemplary damages are insurable under applicable law. <b>Loss</b> shall not include:</p> <ol style="list-style-type: none"> <li>1. Civil or criminal fines or penalties, or taxes;</li> <li>2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;</li> <li>3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or</li> <li>4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.</li> </ol>	<p><b>H. Interrelated Wrongful Acts</b> (Was G.) – minor edit.</p> <p><b>I. Loss</b> (Was H.) Removed “most favorable to such <b>Insured</b>” in the lead-in. Also removed “The multiplied portion of any multiple damages award. “ Item 3. incorporates prior edition, item 4.</p>

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<p>I. <b>Named Insured</b>, either in the singular or plural, means the <b>First Named Insured</b> and any other person or entity listed as a <b>Named Insured</b> by endorsement. If a <b>Named Insured</b> is the immediate successor in interest of a predecessor firm whose ownership is the same as the ownership of such <b>Named Insured</b> (even if the predecessor firm and <b>Named Insured</b> have different names), then such predecessor firm shall be deemed a <b>Named Insured</b> under this Policy.</p>	<p>J. <b>Named Insured</b> means:</p> <ol style="list-style-type: none"> <li>1. Any individual or entity shown as a <b>Named Insured</b> in the Declarations or by endorsement;</li> <li>2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the <b>Named Insured</b>; and</li> <li>3. If during the <b>Policy Period</b> the <b>Named Insured</b>:             <ol style="list-style-type: none"> <li>a. Acquires:                 <ol style="list-style-type: none"> <li>i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or</li> <li>ii. Any entity by merger into or consolidation with the <b>Named Insured</b>; or</li> </ol> </li> <li>b. Forms another entity;</li> </ol> <p>then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any <b>Claim</b> involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the <b>Policy Period</b>, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the <b>Automatic Coverage Period</b>), but only with respect to <b>Wrongful Acts</b> taking place after such acquisition, merger, consolidation or formation.</p> <p>The <b>First Named Insured</b>, as a condition precedent to acquiring further coverage after such <b>Automatic Coverage Period</b> with respect to any <b>Claim</b> involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to Us as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to Us such information as We may request.</p> <p>Upon receipt of such notice and other information, We may, at Our option, provide to the <b>First Named Insured</b> a quotation for coverage under this Policy with respect to any <b>Claim</b> involving such entity after such <b>Automatic Coverage Period</b> for the remainder of the <b>Policy Period</b>. If the <b>First Named Insured</b> fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the <b>First Named Insured</b> fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the <b>Automatic Coverage Period</b>.</p> </li></ol>	<p>J. <b>Named Insured</b> (Was I.) For clarity, immediate predecessor text is now item 2. and item 3. Adds 'new acquisition' provision [which was previously done by endorsement]</p>
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<p><b>J. Personal Injury means:</b></p> <ol style="list-style-type: none"> <li>1. False arrest, detention or imprisonment;</li> <li>2. Malicious prosecution;</li> <li>3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;</li> <li>4. Oral or written publication of material that slanders or libels a person or organization or that disparages a person’s or organization’s goods, products or services; or</li> <li>5. Oral or written publication of material that violates a person’s right of privacy.</li> </ol>	<p><b>K. Personal and Advertising Injury means:</b></p> <ol style="list-style-type: none"> <li>1. False arrest, detention or imprisonment;</li> <li>2. Malicious prosecution;</li> <li>3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;</li> <li>4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual’s or entity’s goods, products or services;</li> <li>5. Oral or written publication of material that violates an individual’s right of privacy; misappropriation of advertising ideas; or</li> <li>6. Infringement of copyright, trade name, trade dress or service mark.</li> </ol>	<p><b>K. Personal and Advertising Injury</b> (was J.) – Adds Advertising Injury</p>
<p><b>K. Policy Period</b> means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or if applicable, any earlier cancellation date. The Policy Period does not include the Extended Reporting Period, if any.</p>	<p><b>L. Policy Period</b> means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The Policy Period does not include the Extended Reporting Period, if any.</p>	<p><b>L. Policy Period</b> (was K) – Same except “cancellation” changed to read “termination”.</p>
<p><b>L. Product Provider</b> means any of the following entities, if such entity is not affiliated with any Insured:</p> <ol style="list-style-type: none"> <li>1. An insurance company;</li> <li>2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was conducted and at the time such business was conducted; or</li> <li>3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance coverage product;</li> </ol> <p>provided, however, Product Provider does not include a reinsurance company or a wholly or partially self-insured plan, trust or risk retention group.</p>	<p><b>M. Product Provider</b> means any of the following entities, if such entity is not partly or wholly owned by any Insured:</p> <ol style="list-style-type: none"> <li>1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;</li> <li>2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or</li> <li>3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.</li> </ol>	<p><b>M. Product Provider</b> (was L) “...not affiliated with...” now reads “...not partly or wholly owned by...” Other changes made for clarity.</p> <p>Last sentence incorporated within definition of <b>Professional Services</b>.</p>

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<p><b>M. Professional Services</b> means the following services rendered in connection with a Covered Product by the Insured to a Client in the conduct of the Named Insured's profession as a Life or Accident and Health Insurance Agent or Broker, a Property and Casualty Insurance Agent or Broker, or a Notary Public, so long as the Insured is properly licensed to render such services on any date on which a Wrongful Act involving such services is alleged to have occurred:</p> <ol style="list-style-type: none"> <li>1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a Covered Product; but not including the surrender, conversion or any alteration of a Covered Product in order to acquire or invest in anything other than a Covered Product;</li> <li>2. Providing advice or consulting solely related to a Covered Product, including financial planning or consulting solely related to a Covered Product, but not including any advice or recommendation to in any way convert, redeem or alter a Covered Product in order to acquire or invest in anything other than a Covered Product;</li> <li>3. Claims adjusting and administration in connection with soliciting, negotiating, placing, selling or servicing a Covered Product;</li> <li>4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a Covered Product;</li> <li>5. Providing loss control or risk management services in connection with soliciting, placing, selling, or servicing a Covered Product;</li> <li>6. Assisting a Client in obtaining premium financing for a Covered Product through an entity not affiliated with any Insured; or</li> <li>7. Training, managing or supervising others but only in connection with Covered Products.</li> </ol> <p>However, Professional Services shall not include in any way, whether or not by an Insured, the ownership, creation, formation, operation or administration of claims for:</p> <ol style="list-style-type: none"> <li>a. Any Multiple Welfare Arrangement;</li> <li>b. Any health maintenance organization or preferred provider organization;</li> <li>c. Any pool, syndicate, association or other combination formed for the purpose of providing insurance or benefits; or</li> <li>d. Any risk retention group, purchasing group, captive or self-insurance program.</li> </ol>	<p><b>N. Professional Services</b> means the following services rendered in connection with a Covered Product by the Insured to a Client in the conduct of the Named Insured's profession as a Life or Accident and Health Insurance Agent, Broker, General Agent, Brokerage General Agent, or a Notary Public:</p> <ol style="list-style-type: none"> <li>1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a Covered Product; but not including the sale, surrender, conversion or any alteration of a Covered Product, in order to acquire or invest in anything other than a Covered Product;</li> <li>2. Providing advice or consultation solely related to a Covered Product, including financial planning or consulting solely related to a Covered Product, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a Covered Product in order to acquire or invest in anything other than a Covered Product;</li> <li>3. Assisting a Client to secure premium financing from a licensed premium finance company for a Covered Product placed by or on behalf of the Insured;</li> <li>4. Training, managing and supervising others, but only in connection with Covered Products;</li> <li>5. Employee Benefit Plan Administration;</li> <li>6. Expert witness testimony related to Professional Services or a Covered Product; or</li> <li>7. Insurance class instruction.</li> </ol> <p>Professional Services also means those services rendered in connection with a Covered Product by an Insured to a Client in the conduct of the Insured's profession as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative.</p> <p>However, Professional Services shall not include:-</p> <ol style="list-style-type: none"> <li>a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for: <ol style="list-style-type: none"> <li>i. Any Multiple Employer Welfare Arrangement;</li> <li>ii. Any health maintenance organization or preferred provider organization;</li> <li>iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or</li> <li>iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;</li> </ol> </li> </ol>	<p><b>N. Professional Services (Was M.)</b> – Changed for clarity and adds <b>Employee Benefit Plan Administration</b>.</p>
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	<ul style="list-style-type: none"> <li>b. Any services performed by any Insured as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;</li> <li>c. Any services which the Insured is not licensed to render on any date on which a <b>Wrongful Act</b> involving such services is alleged to have occurred, provided that lack of license is due to the Insured's deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the Insured's knowledge and consent; or</li> <li>d. Any commingling, misappropriation or conversion of Client's funds.</li> </ul>	
<p><b>N. Retroactive Date</b> means the earliest date on which a <b>Wrongful Act</b> could take place for which coverage could exist for Claim made under this policy. <b>Wrongful Acts</b> which occur in whole prior to this date are not covered, even if a Claim is made under this policy. It is the date shown as the <b>Retroactive Date</b> in the Declarations. If "none" is entered, full prior <b>Wrongful Acts</b> coverage is provided, subject to all other terms and conditions of this policy.</p>	<p><b>O. Retroactive Date</b> means:</p> <ul style="list-style-type: none"> <li>1. The date shown under <b>Retroactive Date</b> in the Declarations. If "none" is entered, full prior <b>Wrongful Acts</b> coverage is provided, subject to all other terms and conditions of this Policy; and</li> <li>2. The <b>Retroactive Date</b> is the earliest date on which a <b>Wrongful Act</b> took place for which coverage could exist for a Claim made under this Policy. <b>Wrongful Acts</b> which occur in whole or part prior to this date are not covered, even if a Claim is made under this Policy and reported to Us during the Policy Period or Extended Reporting Period.</li> </ul>	<p><b>O. Retroactive Date</b> (Was N) Same except item 2. , 2<sup>nd</sup> sentence adds "Extended Reporting Period."</p>
	<p><b>P. Suit</b> means:</p> <p>A civil proceeding seeking compensatory monetary damages. <b>Suit</b> includes:</p> <ul style="list-style-type: none"> <li>1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the Insured is legally required to submit to arbitration, or does so with Our consent; or</li> <li>2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the Insured submits with Our consent.</li> </ul>	<p><b>P. Suit</b> is new</p>
<p><b>O. Wrongful Act</b>, either in singular or plural, means:</p> <ul style="list-style-type: none"> <li>1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the Insured in the rendering of or failure to render <b>Professional Services</b>; or</li> <li>2. Any actual or alleged negligent <b>Personal Injury</b> arising out of the Insured's rendering of or failure to render <b>Professional Services</b>.</li> </ul>	<p><b>Q. Wrongful Act</b>, either in singular or plural, means:</p> <ul style="list-style-type: none"> <li>1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the Insured in the rendering of or failure to render <b>Professional Services</b>; or</li> <li>2. Any actual or alleged negligent <b>Personal and Advertising Injury</b> arising out of the Insured's rendering of or failure to render <b>Professional Services</b>.</li> </ul>	<p><b>Q. Wrongful Act</b> (Was O.), &amp; now references "Personal and Advertising Injury"</p>
	<p><b>R. Registered Representative</b>, means any Insured that is:</p> <ul style="list-style-type: none"> <li>1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and</li> <li>2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.</li> </ul> <p><b>S. Registered Investment Advisor or Investment Advisor Representative</b> means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.</p>	<p><b>R. Registered Representative</b> and <b>S. Registered Investment Advisor or Investment Advisor Representative</b> is new.</p>

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<p>IV. EXCLUSIONS</p>	<p>IV. EXCLUSIONS</p>	<p>Throughout the Exclusions section, you will note references to “any <b>Insured</b>” have been changed to “the <b>Insured</b>” in some exclusions. Corrected bold-face where appropriate as well. Any additional changes are so noted.</p>
<p><b>We shall not be liable to make any payment for Loss in connection with any Claim:</b></p> <p><b>A.</b> Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by any <b>Insured</b> or any loss expected or intended by any <b>Insured</b>; provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such <b>Insured</b> establishing that such <b>Insured</b> committed such conduct;</p>	<p><b>We shall not be liable to make any payment in connection with any Claim:</b></p> <p><b>A.</b> Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the <b>Insured</b> or any <b>Loss</b> expected or intended by the <b>Insured</b>, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such <b>Insured</b> establishing that such <b>Insured</b> committed such conduct and applies only to the <b>Insured</b> who participated in, acted with knowledge of, or acquiesced to such conduct;</p>	<p>Removed “for <b>Loss</b>” in the Exclusions lead-in</p> <p>Exclusion A. now states that the exclusion “applies only to the <b>Insured</b> who participated in, acted with knowledge of, or acquiesced to such conduct;”</p>
<p><b>B.</b> Based upon or arising out of any <b>Insured</b> gaining in fact any personal profit or advantage to which such <b>Insured</b> was not legally entitled;</p> <p><b>C.</b> Based upon, arising out of or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>1. Bodily injury, including sickness, injury, disease or death of any person; provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>; or</li> <li>2. Damage to or destruction of any property, including loss of use thereof;</li> </ol>	<p><b>B.</b> Based upon or arising out of the <b>Insured</b> gaining in fact any personal profit or advantage to which such <b>Insured</b> was not legally entitled;</p> <p><b>C.</b> Based upon, arising out of, or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>1. Bodily injury, including sickness, injury, disease or death of any person, provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>, or</li> <li>2. Damage to or destruction of any property, including loss of use thereof;</li> </ol>	<p>Exclusions B. – same</p> <p>Exclusion C. – same.</p>

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<p>D. Based upon, arising out of or in any way involving any actual or alleged infringement of copyright, patent, trademark, trade name, trade dress, service mark or misappropriation of ideas or trade secrets, piracy or plagiarism;</p> <p>E. Based upon, arising out of or in any way involving:</p> <ol style="list-style-type: none"> <li>1. Any pension, welfare or benefit plan organized for the benefit of employees of the <b>Named Insured</b>; or</li> <li>2. Any <b>Insured's</b> obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;</li> </ol> <p>F. Based upon, arising out of or in any way involving any <b>Insured's</b> actions, activities, responsibilities or duties as a third party claims administrator of any plan, whether insured or self-insured;</p>	<p>D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the <b>Insured</b>;</p> <p>E. Based upon, arising out of, or in any way involving:</p> <ol style="list-style-type: none"> <li>1. Any pension, welfare or benefit plan organized for the benefit of employees of any <b>Insured</b>, or</li> <li>2. Any <b>Insured's</b> obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any <b>Insured</b> under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;</li> </ol> <p>F. Based upon, arising out of, or in any way involving any <b>Insured's</b> actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. <b>Professional Services</b>;</p>	<p>Exclusion D. – applies to infringement of any intellectual property rights. Contains exception for advertising by the Insured.</p> <p>Exclusion E., item 1. applies to any <b>Insured</b>. Item 2. adds reference to pensions, welfare or benefit plan and Pension Protection Act of 2006 (PPA)</p> <p>Exclusion F. – adds “except as provided under definition III.N. Professional Services”</p>
<p>G. Based upon, arising out of or in any way involving any:</p> <ol style="list-style-type: none"> <li>1. Liability of others assumed by any <b>Insured</b> in a written or oral contract or agreement; or</li> <li>2. Actual or alleged liability of any <b>Insured</b> under any written or oral contract or agreement;</li> </ol> <p>provided, however this exclusion shall not apply to liability of any <b>Insured</b> which would exist in the absence of such contract or agreement;</p>	<p>G. Based upon, arising out of, or in any way involving any sums the <b>Insured</b> is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:</p> <ol style="list-style-type: none"> <li>1. That the <b>Insured</b> would have in the absence of the contract or agreement, or</li> <li>2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged <b>Wrongful Act</b> for which the <b>Claim</b> in question is made, and provided that the coverage for the <b>Claim</b> otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the <b>Insured</b> are deemed to be <b>Loss</b> (and not <b>Claim Expenses</b>), provided: <ol style="list-style-type: none"> <li>a. Liability to such party for, or for the cost of, that party’s defense has also been assumed under the written contract or agreement in question, and</li> <li>b. Such attorney fees and litigation expenses are for defense of that party against a <b>Claim</b> or <b>Suit</b> seeking <b>Loss</b> to which this insurance applies;</li> </ol> </li> </ol>	<p>Exclusion G. revised for clarity.</p>

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<p>H. Based upon, arising out of or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any Covered Products or as to non-guaranteed interest rates or future premium payments;</p> <p>I. Based upon, arising out of or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>1. Liability for any employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy, infliction of emotional distress; invasion of privacy; or retaliation; or</li> <li>2. Discrimination or harassment of any kind, other than any discrimination or harassment excluded in 1. above, against any person or entity;</li> </ol> <p>J. Based upon, arising out of or in any way involving any services performed by the Insured whether or not the Insured is licensed as such, as:</p> <ol style="list-style-type: none"> <li>1. an accountant, architect, actuary, tax preparer or advisor (except for tax advice provided directly concerning a Covered Product), attorney, real estate agent or broker;</li> <li>2. engineer, a financial planner or registered investment adviser, except as to services directly related to a Covered Product; or</li> <li>3. registered representatives, securities broker or dealer;</li> </ol>	<p>H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any Covered Products, or as to non-guaranteed interest rates or future premium payments;</p> <p>I. Based upon, arising out of, or in any way involving any Insured’s actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;</p> <p>J. Based upon, arising out of, or in any way involving any services performed by the Insured whether or not the Insured is licensed as such, as:</p> <ol style="list-style-type: none"> <li>1. A tax preparer or advisor (except for tax advice provided directly concerning a Covered Product), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,</li> <li>2. A financial planner, except as to services directly related to a Covered Product, or</li> <li>3. A securities broker dealer;</li> </ol>	<p>Exclusion H. – No change</p> <p>Exclusion I. revised for clarity</p> <p>Exclusion J. removes registered representative</p>
<p>K. Based upon, arising out of:</p> <ol style="list-style-type: none"> <li>1. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, or premium;</li> <li>2. Any dispute with another insurance agent or broker, including, but not limited to, any dispute concerning commissions, fees, client lists or entitlements; or</li> <li>3. Any commingling, misappropriation or conversion of funds;</li> </ol> <p>L. Based upon, arising out of or in any way involving any actual or alleged unauthorized use or release of any confidential or private information pertaining to any Client, any director, manager, partner, member, officer or employee of any Client or any family member of any such person;</p>	<p>K. Based upon, arising out of, or in any way involving any Claim or dispute between Insureds or with another insurance agent or broker, or Registered Representative or Registered Investment Advisor or Investment Advisor Representative including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the Wrongful Act arises out of Professional Services by an Insured rendered to such other Insured, agent or broker as a Client, provided the Insured rendering such Professional Service does not have any legal or equity interest in the subject of the insurance or investment procured for the Client;</p> <p>L. Based upon, arising out of, or in any way involving the Insured’s unauthorized use or release of any confidential or private information pertaining to any Client, any director, manager, partner, member, officer or employee of any Client or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the Insured seeking coverage;</p>	<p>Exclusion K. revised for clarity and adds “Registered Representative or Registered Investment Advisor or Investment Advisor Representative.”</p> <p>Exclusion L – Adds statement that the exclusion shall not apply if such use or release was made without the knowledge of the Insured seeking coverage.</p>

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<p><b>M.</b> Based upon, arising out of or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any organization, including but not limited to a <b>Product Provider</b>, regardless of when the financial impairment of such organization began and whether or not any <b>Insured</b> was aware or could have been aware of the financial impairment of such organization; provided, however, this exclusion shall not apply if at the time of the <b>Wrongful Act</b> the <b>Product Provider</b> was:</p> <ol style="list-style-type: none"> <li>1. An admitted Property Casualty Insurance Company Rated "B+" or better by A.M. Best Company, or a Life Insurance/Accident and Health Insurance Company rated "A-" or better by A.M. Best Company;</li> <li>2. A non-admitted insurance company rated A- or better by A. M. Best Company that is also authorized to conduct business in the applicable state in which the <b>Covered Product</b> involved was sold, placed, obtained, or;</li> <li>3. The <b>Product Provider</b> was guaranteed by a governmental body or bodies or operated by a governmental body or bodies (including but not limited to assigned risk plans, Joint Underwriting Association's, or fair plans) or was a County Mutual reinsured by carriers rated B+ or better by A. M. Best Company, or was part of the Iowa Communities Assurance Pools (ICAPS);</li> </ol>	<p><b>M.</b> Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a <b>Product Provider</b>, regardless of when the financial impairment of such entity began and whether or not any <b>Insured</b> was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the <b>Product Provider</b> was:</p> <ol style="list-style-type: none"> <li>1. An admitted insurance company rated B+ or better by A.M. Best Company,</li> <li>2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the <b>Covered Product</b> was sold, placed or obtained, or</li> <li>3. The <b>Product Provider</b> was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;</li> </ol>	<p>Exclusion M revised for clarity and removes reference to "Iowa Communities Assurance Pools (ICAPS)"</p>
<p><b>N.</b> Based upon, arising out of or in any way involving the direct or indirect placement of, or any recommendation to place, any <b>Client's</b> insurance, coverage, funds, premium, or product with or in any <b>Product Provider</b>, entity or vehicle not licensed to transact such business in the state or jurisdiction in which such business was conducted; provided, however, this exclusion shall not apply with respect to any <b>Product Provider</b> authorized or approved as a surplus lines insurer or carrier in the state or jurisdiction in which such business was conducted;</p> <p><b>O.</b> Based upon, arising out of or in any way involving any promissory notes, viatical or life settlements or contracts as investments, or viatical investment pools or any securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto) backed by viatical settlements, commodities, commodity future contracts, or option contracts;</p> <p><b>P.</b> Based upon, arising out of or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a <b>Claim</b> solely based upon or arising out of the selling or servicing of a <b>Covered Product</b> utilized to fund a structured settlement;</p>	<p><b>N.</b> Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any <b>Client's</b> insurance, coverage, funds, premium, or product with or in any <b>Product Provider</b>, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was transacted;</p> <p><b>O.</b> Based upon, arising out of, or in any way involving any:</p> <ol style="list-style-type: none"> <li>1. Promissory notes,</li> <li>2. Viatical or life settlements as investments, or viatical investment pools, or</li> <li>3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or</li> <li>4. Commodities, futures contracts, or option contracts;</li> </ol> <p><b>P.</b> Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a <b>Claim</b> solely based upon or arising out of the selling or servicing of a <b>Covered Product</b> utilized to fund a structured settlement;</p>	<p>Exclusion N. Changed "licensed" to read "authorized" and "conducted" to read "transacted". Removed exception re: surplus lines insurer as it does not apply to Life Insurance placement.</p> <p>Exclusion O. revised for clarity.</p> <p>Exclusion P. - same.</p>

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<p><b>Q.</b> Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>1. Any <b>Wrongful Act</b> or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy;</li> <li>2. Any other <b>Wrongful Act</b> whenever occurring, which, together with a <b>Wrongful Act</b> which has been the subject of such notice, would constitute <b>Interrelated Wrongful Acts</b>; or</li> <li>3. Any <b>Wrongful Act</b> of which the <b>Insured</b> had actual or constructive knowledge as of the Inception of this Policy and which could have reasonably been expected to result in a Claim;</li> </ol> <p><b>R.</b> Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>1. The oral or written publication of material, if done by or at the direction of the <b>Insured</b> with knowledge of its falsity; or</li> <li>2. The oral or written publication of material whose first publication took place before the <b>Retroactive Date</b>;</li> </ol> <p><b>S.</b> Based upon, arising out of or in any way involving any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous, thermal, or aural irritant, pollutant, contaminant, including but not limited to, noise, lead, asbestos, smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials (including those that are or are to be stored, recycled, reconditioned or reclaimed), into or upon land, air, water or property; or</p> <p><b>T.</b> Based upon, arising out of or in any way involving any nuclear reaction, radiation, radioactive contamination or radioactive substance, in any form, no matter how emitted.</p>	<p><b>Q.</b> Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>1. Any <b>Wrongful Act</b> or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and</li> <li>2. Any other <b>Wrongful Act</b> whenever occurring, which, together with a <b>Wrongful Act</b> which has been the subject of the notice outlined in Q.1., above, would constitute <b>Interrelated Wrongful Acts</b>; -</li> </ol> <p><b>R.</b> For <b>Personal and Advertising Injury</b> based upon or arising out of:</p> <ol style="list-style-type: none"> <li>1. The oral or written publication of material, if done by or at the direction of the <b>Insured</b> with knowledge of its falsity, or</li> <li>2. The oral or written publication of material whose first publication took place before the <b>Retroactive Date</b>;</li> </ol> <p><b>S.</b> Solely for any actual or alleged violation of:</p> <ol style="list-style-type: none"> <li>1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or</li> <li>2. The rules or regulations of: <ol style="list-style-type: none"> <li>a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or</li> <li>b. Any state insurance or securities department, commission or agency except as provided in Supplemental Payments I.D.6.;</li> </ol> </li> </ol> <p><b>T.</b> Based upon, or arising out of, or in any way involving any <b>Insured's</b> activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any <b>Insured</b> providing an asset allocation service with respect to any <b>Covered Products</b> pursuant to a written asset allocation plan executed by the <b>Client</b>;</p> <p><b>U.</b> Solely based upon any fluctuation in the market value of any investment covered by this Policy; or</p> <p><b>V.</b> Based upon, arising out of, or in any way involving any actual or alleged violation of :</p> <ol style="list-style-type: none"> <li>a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,</li> <li>b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law,</li> <li>c. Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.</li> </ol>	<p>Exclusion Q, minor edits for clarity and item 3. is now an exception to Exclusion A.</p> <p>Exclusion R. – Now references “Personal and <u>Advertising Injury</u>”</p> <p>S., T., U. &amp; V. are new re: 06 07 edition 144212.</p> <p>Pollution &amp; nuclear exclusion (prior exclusion S. and T.) have been removed.</p>
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<p><b>V. LIMIT OF INSURANCE AND DEDUCTIBLE</b></p> <p>A. The Limit of Insurance shown in the Declarations as applicable to each Claim is Our maximum liability for Loss resulting from any one Claim and the Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all Loss resulting from all Claims made during the Policy Period.</p> <p>B. We shall only be liable to pay Loss and Claim Expenses in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every Claim.</p> <p>C. The Deductible may only be satisfied by an actual cash payment by You and may not be satisfied by the release of a claim or counterclaim. You agree that the Deductible shall be uninsured.</p>	<p><b>V. LIMIT OF INSURANCE AND DEDUCTIBLE</b></p> <p>A. The Limit of Insurance shown in the Declarations as applicable to each Claim is Our maximum liability for Loss resulting from any one Claim. Without regard to the number of Claims or Insureds against whom a Claim has been made, all Loss arising out of the same Wrongful Act or Interrelated Wrongful Acts will be subject to the each Claim limit of liability in effect the first Claim arising out of the Wrongful Act or Interrelated Wrongful Acts was made.</p> <p>B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all Loss resulting from all Claims made during the Policy Period.</p> <p>C. We shall only be liable to pay Loss and Claim Expenses in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every Claim. The Deductible does not increase the Limit of Insurance.</p> <p>D. If We pay all or part of any Deductible amount, We will notify the Named Insured of Our payment of the Deductible, and request reimbursement. The Named Insured will pay Us for the part of the Deductible We paid within thirty (30) days of Our request.</p> <p>E. The Deductible may only be satisfied by an actual cash payment by the Named Insured and may not be satisfied by the release of a claim or counterclaim.</p>	<p>V. Limit of Insurance and Deductible – Moved claims definition (III. B.) verbiage in to section paragraph A. and clarified deductible application</p>
<p><b>VI. CONDITIONS</b></p> <p>A. Entire Agreement</p> <p>It is agreed that this Policy together with any endorsements and the Declarations constitute the entire agreement existing between You and Us.</p>	<p><b>VI. CONDITIONS</b></p> <p>A. Entire Agreement</p> <p>It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between You and Us.</p>	<p><b>VI Conditions:</b></p> <p>A. Entire Agreement – same.</p>
<p><b>B. Extended Reporting Period</b></p> <p>1. If the First Named Insured or We cancel or non-renew this Policy for any reason other than for non-payment of premium, the First Named Insured shall have the right, upon payment of the additional premium stated in the Declarations, to purchase an Extended Reporting Period of the duration stated in the Declarations.</p> <p>2. The Extended Reporting Period applies only to a Claim first made against You and reported to Us during the Extended Reporting Period, but only for a Wrongful Act committed or allegedly committed before the end of the Policy Period and that would have been covered by this Policy if such Claim had been first made during the Policy Period.</p> <p>3. As a condition precedent to 1. and 2. above, all of the following apply:</p> <p>a. The total premium due for this Policy must have been paid.</p> <p>b. The Extended Reporting Period is available by endorsement for an additional premium. Such additional premium to be determined at the time of purchase. It will take effect only if, within ninety (90) days after the end of the Policy Period, the First Named Insured requests it from Us in writing and pays to Us the additional premium due.</p>	<p><b>B. Extended Reporting Period</b></p> <p>1. We will provide an Extended Reporting Period as described below if this policy is cancelled or non-renewed for any reason other than non-payment of premium, or if We renew this Policy with insurance that has a Retroactive Date later than the date shown in the Declarations of this Policy.</p> <p>2. Extended Reporting Periods do not extend the Policy Period or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.</p> <p>3. Extended Reporting Periods do not apply to Claims that are covered under any subsequent insurance You purchase or that would be covered but for exhaustion of the amount of insurance applicable to such Claims.</p> <p>4. All Claims under Extended Reporting Periods must be reported to Us in accordance with Conditions VI. D.</p>	<p><b>B. Extended Reporting Period –</b> Changed so to be similar to ISO provisions re: ERPs, i.e. provisions for Basic and Supplemental ERPs are provided. Adds pricing for Supplemental ERP terms of 1,2,3,4,5 and 10 yrs; an d adds change in control notification .</p>

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<p>c. The right to purchase an Extended Reporting Period will lapse unless We receive written notice of such election, together with payment of the additional premium due is received, within ninety (90) days after the end of the Policy Period.</p> <p>d. The Extended Reporting Period does not extend the Policy Period or change the scope of coverage provided by this Policy.</p> <p>e. The Extended Reporting Period is not cancelable, and the premium will be deemed fully earned at the inception date of such Extended Reporting Period.</p> <p>f. The Extended Reporting Period will be subject to this Policy's remaining Limit of Insurance, if any, and the purchase of the Extended Reporting Period will not reinstate or increase any Limit of Insurance provided by this Policy.</p>	<p>5. Basic Extended Reporting Period</p> <p>a. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts at the date of Policy termination or the end of the Policy Period, whichever is earlier, and lasts for sixty (60) days.</p> <p>b. Claims made against the Insured within sixty (60) days after Policy termination or the end of the Policy Period, whichever is earlier, and which arise out of a Wrongful Act that was committed during the Policy Period but not before the Retroactive Date, if any, stated in the Declarations, will be deemed to have been made on the last day of the Policy Period.</p> <p>c. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.</p> <p>6. Supplemental Extended Reporting Period</p> <p>a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. You must give Us a written request for the endorsement within sixty (60) days after the end of the Policy Period, or Policy termination date, whichever is earlier. The Supplemental Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.</p> <p>b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. Claims made against the Insured within the term of the Supplemental Extended Reporting Period which arise out of a Wrongful Act that was committed during the Policy Period, but not before the Retroactive Date, if any, stated in the Declarations, will be deemed to have been made on the last day of the Policy Period.</p> <p>c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.</p> <p>d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:</p> <table border="1" data-bbox="997 1063 1480 1226"> <thead> <tr> <th>Term (Years)</th> <th>Rate (% of Expiring Annual Premium)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>100%</td> </tr> <tr> <td>2</td> <td>150%</td> </tr> <tr> <td>3</td> <td>200%</td> </tr> <tr> <td>4</td> <td>250%</td> </tr> <tr> <td>5</td> <td>300%</td> </tr> <tr> <td>10</td> <td>500%</td> </tr> </tbody> </table> <p>e. If the Named Insured fails to notify Us of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.</p>	Term (Years)	Rate (% of Expiring Annual Premium)	1	100%	2	150%	3	200%	4	250%	5	300%	10	500%	
Term (Years)	Rate (% of Expiring Annual Premium)															
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<p><b>C. Liberalization</b></p> <p>If we adopt a change in our forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this policy without an extra premium charge, the broader coverage will apply to this policy. This extension is effective upon approval of such broader coverage in your state.</p> <p><b>D. Reporting of Potential Claims</b></p> <p>If during the Policy Period, You first become aware of a Wrongful Act which might reasonably be expected to give rise to a Claim and, during the Policy Period or within sixty (60) days after the end of the Policy Period, give written notice to Us of such Wrongful Act as required below, then any Claim subsequently made against You by reason of such Wrongful Act shall be deemed to have been first made during the Policy Period.</p> <p>Written report of a potential Claim shall include:</p> <ol style="list-style-type: none"> <li>1. The specific facts or circumstances which constitute the Wrongful Act, including the date(s) thereof, and the Insured involved;</li> <li>2. The date and circumstances by which You became aware of such Wrongful Act; and</li> <li>3. The Loss that may reasonably result.</li> </ol>	<p><b>C. Liberalization</b></p> <p>If We adopt a change in Our forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in Your headquarters state.</p> <p><b>D. Reporting of Potential Claims or Actual Claims</b></p> <ol style="list-style-type: none"> <li>1. Reporting of Potential Claims <p>If during the Policy Period, You first become aware of a Wrongful Act which might reasonably be expected to give rise to a Claim, and during the Policy Period give written notice to Us of such Wrongful Act as required below, then any Claim subsequently made against You by reason of such Wrongful Act shall be deemed to have been first made during the Policy Period.</p> <p>Written report of a potential Claim must include:</p> <ol style="list-style-type: none"> <li>a. The specific facts and circumstances which constitute the Wrongful Act, including the date(s) thereof, and the Insured and Clients involved;</li> <li>b. The date and circumstances by which You became aware of such Wrongful Act; and</li> <li>c. The Loss that may reasonably result.</li> </ol> </li> <li>2. Reporting of Actual Claims <p>You shall provide notice to Us as soon as practicable after a Claim is first made against You. This notice shall be deemed sent to Us only if it is received by Us via facsimile or electronic mail or sent by You by prepaid registered or return-receipt-requested mail properly addressed to Us at the address shown in or attached to this Policy.</p> <p>Notwithstanding the requirement that the Claim must be first made and reported to Us during the Policy Period, if continuous coverage is in effect pursuant to consecutive policies issued by Us, a Claim may be first made against the Insured during one Policy Period and may be reported to Us in writing during the consecutive, immediately following Policy Period without constituting a violation of this provision, so long as the notice was provided as soon as practicable and without prejudice to Us.</p> </li> </ol>	<p><b>C. Liberalization -</b> Added the word "headquarters" in last line.</p> <p><b>D. Reporting of Potential Claims and Actual Claims:</b></p> <ul style="list-style-type: none"> <li>• Removed 60 day reporting for potential claims after the Policy Period</li> <li>• Clarified what needs to be reported with potential claims</li> <li>• Added Actual Claims reporting with 60 days notice (from 90 days when item 2. under Authorization Clause/Notices condition)</li> </ul>
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<p><b>E. Action Against Us</b></p> <ol style="list-style-type: none"> <li>1. No one shall sue Us unless the following conditions precedent are met:             <ol style="list-style-type: none"> <li>a. There has been full compliance with all the terms of this Policy; and</li> <li>b. The amount of the Your obligation to pay shall have been finally determined either by judgment against You after actual and contested trial on the merits, or by written agreement of the You, the claimant, and Us.</li> </ol> </li> <li>2. 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.</li> <li>3. Nothing contained in this Policy shall give any person or organization any right to join Us as a co-defendant in any action against the You to determine the Your liability. Your bankruptcy or insolvency shall not relieve Us of any obligation hereunder.</li> </ol> <p><b>F. Subrogation and Assignment</b></p> <ol style="list-style-type: none"> <li>1. When We pay under this Policy, We receive the Your rights against third parties and may subrogate against third parties. You are required to execute and deliver any instruments and papers and do whatever else is necessary to secure Our rights. You agree not to prejudice Our subrogation rights.</li> <li>2. You may not assign any interest in this Policy unless We give Our prior written consent.</li> </ol>	<p><b>E. Legal Action Against Us</b></p> <p>No person or organization has a right under this Policy:</p> <ol style="list-style-type: none"> <li>1. To join Us as a party or otherwise bring Us into a Suit asking for damages from an Insured; or</li> <li>2. To sue Us on this Policy unless all of its terms have been fully complied with.</li> </ol> <p>A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured; but We will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by Us, the Insured and the claimant or the claimant's legal representative.</p> <p><b>F. Subrogation and Assignment</b></p> <ol style="list-style-type: none"> <li>1. If the Insured has rights to recover all or part of any payment We have made under this Policy, those rights are transferred to Us. The Insured must do nothing to impair them. At Our request, the Insured will bring Suit or transfer those rights to Us and help Us enforce them.</li> <li>2. You may not assign any interest in this Policy unless We give Our prior written consent.</li> </ol>	<p><b>E. Legal Action Against Us –</b> Changed to ISO style re: this condition</p> <p><b>F. Subrogation and Assignment</b> Changed to ISO style re: this condition</p>
<p><b>G. Changes</b></p> <p>The terms of this Policy shall not be waived or changed, except by endorsement issued by Us to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop Us from asserting any right under the terms of this Policy.</p>	<p><b>G. Changes</b></p> <p>The terms of this Policy shall not be waived or changed, except by endorsement issued by Us to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop Us from asserting Our rights under the terms of this Policy.</p>	<p><b>G. Changes</b> Last line, the word “any” changed to “Our”.</p>
<p><b>H. Authorization Clause/Notices</b></p> <ol style="list-style-type: none"> <li>1. By acceptance of this Policy by payment of premium, You agree that the <b>First Named Insured</b> shall act on Your behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.</li> <li>2. You shall provide notice to Us as soon as practicable after a Claim is first made against You but in no event later than ninety (90) days after the Policy Period. This notice shall be deemed sent to Us only if it is received by Us via facsimile or electronic mail or sent by the Insured by prepaid registered or return-receipt-requested mail properly addressed to Us as set forth in the Declarations. Notwithstanding the requirement that the Claim must be first made and reported to Us during the Policy Period, if continuous coverage is in effect pursuant to consecutive policies issued by Us, a Claim may be first made against the Insured during one Policy Period and may be reported to Us in writing during the consecutive, immediately following Policy Period without constituting a violation of this provision.</li> <li>3. No insurance agent or broker is appointed or authorized by Us to receive the notice required by this Policy. Your notice to any insurance broker or agent shall not be notice to Us, unless and until We receive actual notice at the above address.</li> </ol>	<p><b>H. Authorization Clause/Notices</b></p> <p>By acceptance of this Policy by payment of premium, You agree that the <b>First Named Insured</b> shall act on Your behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.</p>	<p><b>F. Authorization Clause/Notices –</b> Paragraph 1, same; Claims notice requirement that was under this condition is now D.2. Reporting of Potential Claims.</p>

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<p><b>I. Other Insurance</b></p> <p>1. The insurance provided by this Policy shall apply only in excess of any other insurance available to You and shall not contribute with other such insurance. If You have other insurance against the Loss covered by this Policy, this Policy shall apply only in excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Liability of this Policy exceeds the sum of the applicable Limit of Liability of all such other insurance.</p> <p>This provision will not apply if the Insured has similar coverage with Us, or one of Our affiliates. In this event, the Insured must elect under which policy the claim will be made and the other policy will be void and any premium will be refunded.</p> <p>2. You shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after the Your receipt of a Claim or obtaining information regarding a potential Claim.</p> <p><b>J. Conformance With State Statutes</b></p> <p>Terms of this Policy that are in conflict with the statutes of the state or province in which Policy is issued and delivered to You are hereby amended to conform to such statutes.</p>	<p><b>I. Other Insurance</b></p> <p>1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the Insured and shall not contribute with other such insurance. If the Insured has other insurance for the Loss covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.</p> <p>This provision will not apply if the Insured has similar coverage with Us, or one of Our affiliates. In this event, the Insured must elect under which policy the Claim will be made.</p> <p>2. The Insured shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:</p> <p>a. Receipt of a Claim;</p> <p>b. Obtaining information regarding a potential Claim; or</p> <p>c. We request such notice be given.</p> <p><b>J. Conformance With State Statutes</b></p> <p>Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to You are hereby amended to conform to such statutes.</p>	<p><b>I. Other Insurance –</b></p> <ul style="list-style-type: none"> <li>Item 1, 2<sup>nd</sup> paragraph, removed “and the other policy will be void and any premium will be refunded”;</li> <li>Item 2 – Adds statement “We request such notice be given.”</li> </ul> <p><b>J. Conformance With State Statutes – No Change</b></p>
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**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage – 144212  
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<p><b>K. Cancellation and Nonrenewal</b></p> <p><b>1. Cancellation</b></p> <p>a. The <b>First Named Insured</b> may cancel this Policy by mailing or delivering to Us advance written notice of cancellation. The <b>Policy Period</b> will end on the effective date requested.</p> <p>b. We may cancel this Policy only in the event of non-payment of premium, and if We cancel for non-payment of premium, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for cancellation, at least twenty (20) days before the effective date of cancellation.</p> <p>c. Notice of cancellation will state the effective date of cancellation. The <b>Policy Period</b> will end on the date of cancellation.</p> <p>d. If this Policy is cancelled, We will send the <b>First Named Insured</b> any premium refund due. If We cancel, the refund will be the pro rata unearned premium. If the <b>First Named Insured</b> cancels, the refund may be less than pro rata. The cancellation will be effective even if We have not made or offered a refund.</p> <p>e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p><b>K. Cancellation and Nonrenewal</b></p> <p><b>1. Cancellation</b></p> <p>a. The <b>First Named Insured</b> may cancel this Policy by mailing or delivering to Us advance written notice of cancellation. The <b>Policy Period</b> will end on the effective date requested.</p> <p>b. We may cancel this Policy only in the event of non-payment of premium, and if We cancel for non-payment of premium, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.</p> <p>c. Notice of cancellation will state the effective date of cancellation. The <b>Policy Period</b> will end on the date of cancellation.</p> <p>d. If this Policy is cancelled, We will send the <b>First Named Insured</b> any premium refund due. If We cancel, the refund will be the pro rata unearned premium. If the <b>First Named Insured</b> cancels, the refund may be less than pro rata. The cancellation will be effective even if We have not made or offered a refund.</p> <p>e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p><b>K. Cancellation and Nonrenewal</b></p> <p>Item 1. Cancellation, same except b. that now states when We cancel, we provide 10 days notice...“or as stated in the state specific changes endorsement attached to this Policy.” (The prior condition allowed for 20 day notice and no reference to state changes endorsement)</p>
<p><b>2. Non-renewal by Us</b></p> <p>a. We are not required to renew this Policy when it expires.</p> <p>b. If We elect not to renew this Policy, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for non-renewal, at least sixty (60) days but not more than one hundred and twenty (120) days before the effective date of non-renewal.</p> <p>c. Notice of non-renewal will state the effective date of non-renewal. The <b>Policy Period</b> will end on the date of non-renewal.</p> <p>d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p><b>2. Non-renewal by Us</b></p> <p>a. We are not required to renew this Policy when it expires.</p> <p>b. If We elect not to renew this Policy, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.</p> <p>c. Notice of non-renewal will state the effective date of non-renewal. The <b>Policy Period</b> will end on the date of non-renewal.</p> <p>d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p>Item 2. Non-renewal By Us – No Change</p>

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	<p><b>L. Bankruptcy</b></p> <p>Bankruptcy or insolvency of the <b>Insured</b> or of the <b>Insured’s</b> estate will not relieve <b>Us</b> of <b>Our</b> obligations under this Policy.</p> <p><b>M. Notification of Change of Control of Named Insured</b></p> <p>If during the <b>Policy Period</b> there is an acquisition of the <b>Named Insured</b>, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the <b>Named Insured</b> with another entity such that the <b>Named Insured</b> is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a <b>Wrongful Act</b> occurring prior to the acquisition, merger, consolidation, or change in control.</p> <p>The <b>Named Insured</b> shall give <b>Us</b> written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information <b>We</b> may require.</p> <p>The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the <b>Named Insured</b>, or the <b>Named Insured</b> becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.</p>	<p><b>L. Bankruptcy &amp; M. Notification of Change of Control of Named Insured</b> are new</p>
<p>This Policy is not valid unless a Declarations page is signed by <b>Our</b> authorized representative.</p> <p>IN WITNESS WHEREOF, <b>We</b> have caused the signatures of <b>Our</b> executive officers to be affixed hereto, and have caused this Policy to be countersigned by <b>Our</b> authorized representative.</p>	<p>This Policy is not valid unless a Declarations page is signed by <b>Our</b> authorized representative.</p> <p>IN WITNESS WHEREOF, <b>We</b> have caused the signatures of <b>Our</b> executive officers to be affixed hereto, and have caused this Policy to be countersigned by <b>Our</b> authorized representative.</p>	<p>No change</p>

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144213 09 05	144213 06 07	Comments
<p align="center"><b>INDEPENDENT PROPERTY &amp; CASUALTY INSURANCE AGENTS ERRORS AND OMISSIONS LIABILITY INSURANCE COVERAGE</b></p> <p align="center"><b>NOTICE – THIS IS A “CLAIMS MADE AND REPORTED” POLICY.</b></p> <p>THIS MEANS THAT COVERAGE APPLIES ONLY TO A CLAIM FIRST MADE AGAINST THE <b>INSURED</b> AND REPORTED DURING THE POLICY PERIOD OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD, EXCEPT TO THE EXTENT AS MAY OTHERWISE BE PROVIDED IN THE POLICY.</p> <p>Read this entire Policy carefully to determine <b>Your</b> rights and duties, <b>Our</b> rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.</p> <p>Throughout this Policy the words <b>You</b> and <b>Your</b> refer to the <b>Insured</b>. The words <b>We</b>, <b>Us</b> and <b>Our</b> refer to the Company providing this insurance.</p> <p>In consideration of the payment of the premium, <b>Your</b> promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information <b>You</b> furnished to <b>Us</b>, including the statements made in the Application and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, <b>We</b> and <b>You</b> agree as follows:</p>	<p><b>Independent Property &amp; Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage – 144213 06 07</b></p> <p><b>Notice – This is a Claims Made Policy.</b></p> <p>THIS MEANS THAT COVERAGE APPLIES ONLY TO A CLAIM FIRST MADE AGAINST THE <b>INSURED</b> DURING THE POLICY PERIOD OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.</p> <p>Read this entire Policy carefully to determine <b>Your</b> rights and duties, <b>Our</b> rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.</p> <p>Throughout this Policy the words <b>You</b> and <b>Your</b> refer to the <b>Insured</b>. The words <b>We</b>, <b>Us</b> and <b>Our</b> refer to the Company providing this insurance.</p> <p>Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.</p> <p>In consideration of the payment of the premium, <b>Your</b> promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information <b>You</b> furnished to <b>Us</b>, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, <b>We</b> and <b>You</b> agree as follows:</p>	<p>Enhancement: Now a claims made policy; “and Reported”</p> <p>Added reference to Section III. Definitions re: terms appearing in bold-face and in the 4<sup>th</sup> paragraph “...statements made in the Application” changed to read “...representations made in the Application.”</p>
<p><b>I. COVERAGE</b></p> <p><b>A. Insuring Agreement</b></p> <p>We will pay on <b>Your</b> behalf all <b>Loss</b> which <b>You</b> are legally obligated to pay as a result of a <b>Claim</b> first made against <b>You</b> and reported to <b>Us</b> during the <b>Policy Period</b>, in accordance with Section VI. Conditions H.2 provided that such <b>Claim</b> is for a <b>Wrongful Act</b> in the rendering of or failure to render <b>Professional Services</b> in connection with a <b>Covered Product</b> if that <b>Wrongful Act</b> occurs wholly after the <b>Retroactive Date</b> shown in the Declarations.</p>	<p><b>I. COVERAGE</b></p> <p><b>A. Insuring Agreement</b></p> <p>We will pay on the <b>Insured’s</b> behalf all <b>Loss</b> which the <b>Insured</b> is legally obligated to pay due to a <b>Wrongful Act</b> in the rendering of or failure to render <b>Professional Services</b> in connection with a <b>Covered Product</b>.</p> <p>This coverage applies to <b>Wrongful Acts</b> taking place:</p> <ol style="list-style-type: none"> <li>1. During the <b>Policy Period</b>, but then only if <b>Claim</b> is first made against the <b>Insured</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b>, if applicable; or</li> <li>2. Prior to the effective date of this Policy, but after the <b>Retroactive Date</b>, if any, stated in the Declarations, provided that: <ol style="list-style-type: none"> <li>a. As of the effective date of this Policy, the <b>Insured</b> does not have actual or constructive knowledge of any circumstances or <b>Wrongful Act</b> which could reasonably be expected to result in a <b>Claim</b>;</li> <li>b. There is no other valid and collectible insurance available to the <b>Insured</b> for any such prior <b>Wrongful Act</b>; and</li> <li>c. <b>Claim</b> is first made against the <b>Insured</b> during the <b>Policy Period</b> or <b>Extended Reporting Period</b>, if applicable.</li> </ol> </li> </ol>	<p>Insuring Agreement – removed reporting condition reference and changed so that pattern is similar to ISO-style, including treatment of circumstances or <b>Wrongful Acts</b> known to the <b>Insured</b> as of the effective date of the policy.</p>

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<p><b>B. Extensions</b></p> <p><b>1. Estates and Legal Representatives</b></p> <p>This Policy shall afford coverage for a Claim for the <b>Wrongful Act</b> of a natural person <b>Insured</b> made against the estates, heirs or legal representatives of such <b>Insured</b> who is deceased, or against the legal representatives of such <b>Insured</b> who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such Claim would have been covered by this Policy.</p> <p><b>2. Spousal Liability</b></p> <p>If a Claim against a natural person <b>Insured</b> includes a claim against such <b>Insured's</b> lawful spouse solely by reason of such person's legal status as a spouse of such <b>Insured</b>, including a claim that seeks damages recoverable from marital community property, property jointly held by the natural person <b>Insured</b> and the spouse, or property transferred from the natural person <b>Insured</b> to the spouse, all loss which such spouse becomes legally obligated to pay by reason of such claim shall be treated for purposes of this Policy as Loss which such <b>Insured</b> becomes legally obligated to pay. All terms and conditions of this Policy, including without limitation the Deductible, shall apply to such spousal loss. This coverage extension shall not apply to any act, error, omission, or <b>Personal Injury</b> committed by such <b>Insured's</b> spouse.</p>	<p><b>B. Defense, Investigation and Settlement of a Claim</b></p> <p>1. We have the right and duty to defend the <b>Insured</b>, including the right to select counsel, against any <b>Suit</b> brought against the <b>Insured</b> for which coverage under this Policy applies. However, We will have no duty to defend the <b>Insured</b> against any <b>Suit</b> for which there is no coverage under this Policy. We have the right to conduct any investigation or negotiation and, with Your consent, make any settlement of any Claim. If You refuse to consent to any settlement acceptable to the claimant that We recommend, then, subject to the Limit of Insurance shown in the Declarations, Our liability for such Claim will not exceed the amount for which such Claim could have been settled plus Claim Expenses up to the date You refused to settle such Claim;</p> <p>2. We will have the right, but not the duty, to appeal any judgment; and</p> <p>3. For any Claim to which this Policy applies:</p> <p>a. In addition to the Limit of Insurance, We shall pay all Claim Expenses that We incur in any such Claim;</p> <p>b. Our right and duty to defend the <b>Insured</b> and to pay Claim Expenses ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;</p> <p>c. The <b>Insured</b> may not incur any Claim Expenses or admit liability for, make payment for, or settle any Claim without Our prior written consent, which shall not be unreasonably withheld. We shall not be liable for any expense, settlement, assumed obligation or admission to which We have not consented; and</p> <p>d. The <b>Insured</b> agrees to cooperate with Us in the defense, investigation, and settlement of any Claim and agrees, as a condition of coverage under this Policy, to submit to Us upon request such information and documentation as We may require in the investigation and defense of any Claim.</p>	<p>Extensions is now C. under edition 06 07. Refer below for comments.</p> <p>Defense provisions now B. under edition 06 07. Text changes are for clarity. Our defense obligation is same as under the prior edition.</p>
<p><b>C. Defense, Investigation and Settlement of a Claim</b></p> <p>1. With respect to insurance provided by this Policy, We have the right and duty to defend You, including the right to select counsel, for any civil proceeding brought against You. We shall have the right to conduct any investigation or negotiation and, with the Your consent, make any settlement of any Claim. If You refuse to consent to any settlement acceptable to the claimant that We recommend, then, subject to the Limit of Insurance shown in the Declarations, Our liability for such Claim will not exceed the amount for which such Claim could have been settled plus Claim Expenses up to the date You refused to settle such Claim.</p> <p>For any Claim to which this Policy applies:</p> <p>2. In addition to the Limit of Insurance, We shall pay all Claim Expenses that We incur in any such Claim until the Limit of Insurance shown in the Declarations is exhausted. We have no obligation to pay Claim Expenses, to defend, or to indemnify, once the Limit of Insurance is exhausted.</p> <p>3. Our obligation to defend You and to pay Claim Expenses ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of Loss or by deposit or tender of the Limit of Insurance into Court.</p> <p>4. You may not incur any Claim Expenses or admit liability for or settle any Claim without Our prior written consent, which shall not be unreasonably withheld. We shall not be liable for any expense, settlement, assumed obligation or admission to which We have not consented.</p> <p>5. You agree to cooperate with Us in the defense, investigation, and settlement of any Claim and agree, as a condition of coverage under this Policy, to submit to Us upon request such information and documentation as We may require in the investigation and defense of any Claim.</p>	<p><b>C. Extensions</b></p> <p><b>1. Estates and Legal Representatives</b></p> <p>This Policy shall afford coverage for a Claim for the <b>Wrongful Act</b> of an individual <b>Insured</b> made against the estates, heirs or legal representatives of such <b>Insured</b> who is deceased, or against the legal representatives of such <b>Insured</b> who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such Claim would have been covered by this Policy.</p> <p><b>2. Spousal Liability</b></p> <p>If a Claim against an individual <b>Insured</b> includes a Claim against such <b>Insured's</b> lawful spouse solely by reason of such person's legal status as a spouse of such <b>Insured</b>, including a Claim that seeks damages recoverable from marital community property, property jointly held by the <b>Insured</b> and the spouse, or property transferred from the <b>Insured</b> to the spouse, all Loss which such spouse becomes legally obligated to pay by reason of such Claim shall be treated for purposes of this Policy as Loss which that <b>Insured</b> becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal Loss. This coverage extension shall not apply to any act, error, omission, or <b>Personal and Advertising Injury</b> committed by the <b>Insured's</b> spouse.</p>	<p>Defense now B. refer above.</p> <p>Extensions now C. (was B. under prior edition). Under Spousal liability, "Individual" or "<b>Insured</b>" is used in lieu of "natural person". Last line under C.2. Spousal Liability, "<b>Personal Injury</b>", changed to read "<b>Personal and Advertising Injury</b>"</p>

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<p><b>D. Supplemental Payments</b></p> <p>In addition to the Limit of Insurance, We shall pay:</p> <ol style="list-style-type: none"> <li>Any premium for appeal bonds for the covered part of the judgment provided, however, that We have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;</li> <li>Post judgment interest; and</li> <li>All reasonable expenses incurred by the Insured at Our request to assist Us in the investigation or defense of any Claim, including actual loss of earnings because of time off work, up to \$250 per day;</li> </ol> <p>provided, however, We have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is extinguished by payment of Loss.</p>	<p><b>D. Supplemental Payments</b></p> <p>In addition to the Limit of Insurance, We shall pay:</p> <ol style="list-style-type: none"> <li>Any premium for appeal bonds for the covered part of the judgment; provided, however, that We have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;</li> <li>Post judgment interest;</li> <li>Prejudgment interest awarded against the Insured on that part of the judgment We pay. If We make an offer to pay the applicable Limit of Insurance, We will not pay any prejudgment interest based on that period of time after the offer;</li> <li>All costs awarded against the Insured in a Suit, but this does not include attorneys’ fees awarded to the person or entity bringing the Claim or Suit;</li> <li>All reasonable expenses incurred by the Insured at Our request to assist Us in the investigation or defense of any Claim or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day;</li> <li>The reasonable attorneys’ fees, costs and expenses incurred in responding to an investigation of an Insured by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate Professional Services, resulting from the Insured’s performance of Professional Services. The maximum We will pay for all Insureds regardless of the number of investigations is \$35,000 per Policy Period. However:             <ol style="list-style-type: none"> <li>We have the right to select legal counsel; and</li> <li>The Insured must be first notified of the investigation during the Policy Period and must provide Us with written notice not later than thirty (30) days after the Insured has been notified of the investigation; and</li> </ol> </li> <li>For catastrophes which have occurred during the Policy Period and have been designated as a catastrophe by Insurance Services Office, Inc., up to \$10,000 per catastrophe subject to a per Policy Period Aggregate of \$30,000 for the actual reasonable extra expenses incurred by all Named Insureds for assisting in the insurance claims processing needs of their Client(s) who have been affected by the catastrophe. Such extra expenses must be incurred beginning on the date of the catastrophe and within ninety (90) days thereafter;</li> </ol> <p>provided, however, We have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of Loss.</p>	<p>Supplemental Payments changed to follow ISO pattern for such payments, along with the following additional enhancements:</p> <ul style="list-style-type: none"> <li>Item 5. reasonable expenses now \$500 per day (vs. \$250 in prior edition); and</li> <li>Items 6 and 7. are new</li> </ul>
<p><b>II. Territory</b></p> <p>This insurance applies to <b>Wrongful Acts</b> committed by an <b>Insured</b> anywhere in the world, provided the entire Claim is made within the United States of America, its territories and possessions, Puerto Rico or Canada.</p>	<p><b>II. TERRITORY</b></p> <p>This insurance applies to <b>Wrongful Acts</b> committed by an <b>Insured</b> anywhere in the world, provided the <b>Suit</b> is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.</p>	<p>Territory now reads similar to ISO</p>

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<p>III. DEFINITIONS</p> <p>A. Claim, either in the singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any written demand You receive for compensatory damages or services for a <b>Wrongful Act</b>, including but not limited to, the institution of arbitration proceedings against You, or</li> <li>Any civil proceeding seeking compensatory damages against You for a <b>Wrongful Act</b>, commenced by the service of a complaint or similar pleading.</li> </ol> <p>All Claims against the <b>Insured</b> arising out of the same <b>Wrongful Act</b> or <b>Interrelated Wrongful Acts</b> whether such <b>Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants, will be considered one <b>Claim</b>. All <b>Claims</b> arising out of <b>Interrelated Wrongful Acts</b> will be considered first made at the time the earliest such <b>Claim</b> was made against the <b>Insured</b>.</p> <p>B. <b>Claim Expenses</b> means reasonable fees and costs incurred in the defense, investigation or appeal of a <b>Claim</b> incurred by any lawyer that We retain or any lawyer that You retain with Our written consent. <b>Claim Expenses</b> shall not include any remuneration, salaries, regular or overtime wages, or benefits of the <b>Insured</b> that are associated with the defense and investigation of a <b>Claim</b> except as provided in Section I.D. above.</p>	<p>A. <b>Claim</b>, either in the singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any written demand the <b>Insured</b> receives for compensatory damages for a <b>Wrongful Act</b>, including but not limited to, the institution of arbitration proceedings against the <b>Insured</b>;</li> <li>Any <b>Suit</b> seeking compensatory damages against the <b>Insured</b> for a <b>Wrongful Act</b>, commenced by the service of a complaint or similar pleading; or</li> <li>Any subpoena or deposition notice received by the <b>Insured</b> arising out of <b>Professional Services</b> rendered by the <b>Insured</b>.</li> </ol> <p>B. <b>Claim Expenses</b> means reasonable fees and costs incurred in the defense, investigation or appeal of a <b>Claim</b> incurred by any attorney We retain or any attorney the <b>Insured</b> retains with Our written consent. <b>Claim Expenses</b> shall not include any remuneration, salaries, regular or overtime wages, or benefits of the <b>Insured</b> that are associated with the defense and investigation of a <b>Claim</b> except as provided in Supplemental Payments, Section I.D. above.</p>	<p>Throughout the Definitions, references to “You” have been replaced by “the Insured” or “Named Insured” as appropriate. Corrected bold-face where appropriate as well. Any additional changes are so noted.</p> <p><b>A. Claim :</b></p> <ul style="list-style-type: none"> <li>Item 2. now refers to <b>Suit</b> (rather than “civil proceeding”); Civil proceeding is contained within definition of <b>Suit</b>; and</li> <li>Item 3. is new.</li> <li>Verbiage in last paragraph moved to section V.A. in edition 06 07 form.</li> </ul> <p><b>B. Claim Expenses .</b> “lawyer” changed to read “attorney”.</p>
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<p>C. <b>Client</b>, either in the singular or plural, means any entity or natural person to whom the <b>Named Insured</b> has agreed to render <b>Professional Services</b>, including any appointed administrator, beneficiary, executor, receiver, or trustee of such natural person or entity.</p> <p>D. <b>Covered Product</b>, either in the singular or plural, means the following products offered by a <b>Product Provider</b>:</p> <ol style="list-style-type: none"> <li>1. Property and casualty insurance coverage;</li> <li>2. Workers Compensation Insurance;</li> <li>3. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Disability Income Insurance or Fixed Annuities, including Individual Retirement Annuities;</li> <li>4. Group Employee Benefit Plans, Life, Accident and Health Plans or Disability Plans, provided such Plans are fully insured at all times, but not including Group or Ordinary Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(k) or 501(b) Plans; or</li> <li>5. Expert witness testimony related or not related to a <b>Product Provider</b>.</li> </ol> <p><b>Covered Product</b> does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in the Employee Retirement Income Security Act of 1974 including any amendments thereto).</p>	<p>C. <b>Client</b> means any entity or individual for whom the <b>Insured</b> has agreed to render <b>Professional Services</b>, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.</p> <p>D. <b>Covered Product</b>, either in the singular or plural, means the following products offered by a <b>Product Provider</b>:</p> <ol style="list-style-type: none"> <li>1. Property and Casualty Insurance coverage;</li> <li>2. Fidelity and Surety Bonds;</li> <li>3. Workers Compensation Insurance;</li> <li>4. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);</li> <li>5. Long Term Care Insurance;</li> <li>6.             <ol style="list-style-type: none"> <li>a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and</li> <li>b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans.</li> </ol> </li> </ol> <p><b>Covered Product</b> does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).</p>	<p>C. <b>Client</b> – removed “either in the singular or plural” and “natural person” changed to read “individual”.</p> <p>D. <b>Covered Product</b> – Added Fidelity and Surety Bonds; Changed text re: Life Ins products and Employee Benefit plans products for clarity.</p>
	<p>E. <b>Employee Benefit Plan Administration</b> means:</p> <ol style="list-style-type: none"> <li>1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;</li> <li>2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or</li> <li>3. Receipt or transmission of claims and verification of plan participation.</li> </ol> <p>However, <b>Employee Benefit Plan Administration</b> does not include the approval or denial of coverage or claims or payment of claims.</p>	<p>E. <b>Employee Benefit Plan Administration</b> - new</p>

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<p>E. <b>First Named Insured</b> means the person or entity identified in Item 1 of the Declarations.</p> <p>F. <b>Insured</b>, either in the singular or plural, means:</p> <ol style="list-style-type: none"> <li>1. <b>The Named Insured;</b></li> <li>2. Any natural person who was, now is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any <b>Named Insured</b>, but solely while performing <b>Professional Services</b>; or</li> <li>3. Any natural person, while acting within the course and scope of his or her duties on behalf of the <b>Named Insured</b>, who was, now is or shall be a leased or loaned worker to the <b>Named Insured</b>, but solely while performing <b>Professional Services</b>; or</li> <li>4. Any independent contractor, but solely while performing <b>Professional Services</b> with respect to business placed through or serviced by the <b>Named Insured</b> pursuant to a written contract with the <b>Named Insured</b>.</li> </ol>	<p>F. <b>First Named Insured</b> means the first person or entity shown in the Declarations.</p> <p>G. <b>Insured</b> means:</p> <ol style="list-style-type: none"> <li>1. <b>The Named Insured;</b></li> <li>2. Solely while performing <b>Professional Services</b> for or on behalf of the <b>Named Insured</b>: <ol style="list-style-type: none"> <li>a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any <b>Named Insured</b>;</li> <li>b. Any individual, who was, is, or shall be a leased or loaned worker to the <b>Named Insured</b>; or</li> <li>c. An individual or entity while acting as an independent contractor, provided there exists a written agreement with the <b>Named Insured</b> which is in effect at the time of the <b>Wrongful Act</b> for which <b>Claim</b> is being made, as long as that <b>Wrongful Act</b> is after the <b>Retroactive Date</b>, if any, shown in the Declarations.</li> </ol> </li> </ol>	<p><b>F. First Named Insured</b> (Was E.) – minor edit</p> <p><b>G. Insured</b> (was F.) Changed “natural person” to read “individual or entity “ and clarified Independent Contractor coverage.</p>
<p>G. <b>Interrelated Wrongful Acts</b>, either in the singular or plural means <b>Wrongful Acts</b> that arise out of, or flow from, either directly or indirectly, one of a series of the same, common, related or repeated facts, matters, events, circumstance, transactions, practices, statements or decisions, whether such <b>Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants.</p> <p>H. <b>Loss</b> means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an <b>Insured</b>, but only to the extent such punitive or exemplary damages are insurable under the applicable law <b>Loss</b> shall not include:</p> <ol style="list-style-type: none"> <li>1. Civil or criminal fines or penalties, or taxes;</li> <li>2. The multiplied portion of any multiple damages award;</li> <li>3. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief;</li> <li>4. The return or withdrawal of fees, commissions, or brokerage charges; or</li> <li>5. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.</li> </ol>	<p>H. <b>Interrelated Wrongful Acts</b> means <b>Wrongful Acts</b> that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements or decisions, whether such <b>Wrongful Acts</b> involve just the <b>Insured</b> or others for whose acts the <b>Insured</b> may be legally responsible, or the same or different claimants.</p> <p>I. <b>Loss</b> means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an <b>Insured</b>, but only to the extent such punitive or exemplary damages are insurable under applicable law. <b>Loss</b> shall not include:</p> <ol style="list-style-type: none"> <li>1. Civil or criminal fines or penalties, or taxes;</li> <li>2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;</li> <li>3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or</li> <li>4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.</li> </ol>	<p><b>H. Interrelated Wrongful Acts</b> (Was G.) – removed “...either singular or the plural...”</p> <p><b>I. Loss</b> (Was H.) Removed “most favorable to such <b>Insured</b>” in the lead-in. Also removed “The multiplied portion of any multiple damages award.” Item 3. incorporates prior edition, item 4.</p>

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<p><b>I. Named Insured</b>, either in the singular or plural, means the <b>First Named Insured</b> and any other person or entity listed as a <b>Named Insured</b> by endorsement. If a <b>Named Insured</b> is the immediate successor in interest of a predecessor firm whose ownership is the same as the ownership of such <b>Named Insured</b> (even if the predecessor firm and <b>Named Insured</b> have different names), then such predecessor firm shall be deemed a <b>Named Insured</b> under this Policy.</p>	<p><b>J. Named Insured</b> means:</p> <ol style="list-style-type: none"> <li>1. Any individual or entity shown as a <b>Named Insured</b> in the Declarations or by endorsement;</li> <li>2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the <b>Named Insured</b>; and</li> <li>3. If during the <b>Policy Period</b> the <b>Named Insured</b>:             <ol style="list-style-type: none"> <li>a. Acquires:                 <ol style="list-style-type: none"> <li>i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or</li> <li>ii. Any entity by merger into or consolidation with the <b>Named Insured</b>; or</li> </ol> </li> <li>b. Forms another entity;</li> </ol> </li> </ol> <p>then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any <b>Claim</b> involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the <b>Policy Period</b>, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the <b>Automatic Coverage Period</b>), but only with respect to <b>Wrongful Acts</b> taking place after such acquisition, merger, consolidation or formation.</p> <p>The <b>First Named Insured</b>, as a condition precedent to acquiring further coverage after such <b>Automatic Coverage Period</b> with respect to any <b>Claim</b> involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to <b>Us</b> as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to <b>Us</b> such information as <b>We</b> may request.</p> <p>Upon receipt of such notice and other information, <b>We</b> may, at <b>Our</b> option, provide to the <b>First Named Insured</b> a quotation for coverage under this Policy with respect to any <b>Claim</b> involving such entity after such <b>Automatic Coverage Period</b> for the remainder of the <b>Policy Period</b>. If the <b>First Named Insured</b> fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the <b>First Named Insured</b> fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the <b>Automatic Coverage Period</b>.</p>	<p><b>J. Named Insured</b> (Was I.) For clarity, immediate predecessor text is now item 2. and item 3. adds 'new acquisition' provision [which was done previously by endorsement].</p>
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<p><b>J. Personal Injury means:</b></p> <ol style="list-style-type: none"> <li>1. False arrest, detention or imprisonment;</li> <li>2. Malicious prosecution;</li> <li>3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;</li> <li>4. Oral or written publication of material that slanders or libels a person or organization or that disparages a person's or organization's goods, products or services; or</li> <li>5. Oral or written publication of material that violates a person's right of privacy.</li> </ol>	<p><b>K. Personal and Advertising Injury means:</b></p> <ol style="list-style-type: none"> <li>1. False arrest, detention or imprisonment;</li> <li>2. Malicious prosecution;</li> <li>3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;</li> <li>4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual's or entity's goods, products or services;</li> <li>5. Oral or written publication of material that violates an individual's right of privacy;</li> <li>6. Misappropriation of advertising ideas; or</li> <li>7. Infringement of copyright, trade name, trade dress or service mark.</li> </ol>	<p><b>K. Personal Injury</b> (was J.) – Adds Advertising Injury.</p>
<p><b>K. Policy Period</b> means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or if applicable, any earlier cancellation date. The Policy Period does not include the Extended Reporting Period, if any.</p>	<p><b>L. Policy Period</b> means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The Policy Period does not include the Extended Reporting Period, if any.</p>	<p><b>L. Policy Period</b> (was K) – Same except “cancellation” changed to read “termination”.</p>
<p><b>L. Product Provider</b> means any of the following entities, if such entity is not affiliated with any Insured:</p> <ol style="list-style-type: none"> <li>1. An insurance company or joint underwriting association;</li> <li>2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was conducted and at the time such business was conducted; or</li> <li>3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance coverage product;</li> </ol> <p>provided, however, Product Provider does not include a reinsurance company or a wholly or partially self-insured plan, trust or risk retention group.</p>	<p><b>M. Product Provider</b> means any of the following entities, if such entity is not partly or wholly owned by any Insured:</p> <ol style="list-style-type: none"> <li>1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;</li> <li>2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or</li> <li>3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.</li> </ol>	<p><b>M. Product Provider</b> (was L) “...not affiliated with...” now reads “...not partly or wholly owned by...” . Other changes made for clarity .</p> <p>Last sentence incorporated within definition of <b>Professional Services</b>.</p>

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<p><b>M. Professional Services</b> means the following services rendered in connection with a Covered Product by the Insured to a Client in the conduct of the Named Insured’s profession as a Property and Casualty Insurance Agent or Broker, a Life or Accident and Health Insurance Agent or Broker or a Notary Public, so long as the Insured is properly licensed to render such services on any date on which a Wrongful Act involving such services is alleged to have occurred:</p> <ol style="list-style-type: none"> <li>1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a Covered Product; but not including the surrender, conversion or any alteration of a Covered Product in order to acquire or invest in anything other than a Covered Product</li> <li>2. Providing advice or consulting solely related to a Covered Product, including financial planning or consulting solely related to a Covered Product but not including any advice or recommendation to in any way convert, redeem or alter a Covered Product in order to acquire or invest in anything other than a Covered Product.</li> <li>3. Claims adjusting and administration in connection with soliciting, negotiating, placing, selling or servicing a Covered Product;</li> <li>4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a Covered Product;</li> <li>5. Providing loss control or risk management services in connection with soliciting, placing, selling or servicing a Covered Product;</li> <li>6. Assisting a Client in obtaining premium financing for a Covered Product through an entity not affiliated with any Insured; or</li> <li>7. Training, managing and supervising others but only in connection with Covered Products.</li> </ol> <p>However, Professional Services shall not include in any way, whether or not by an Insured, the ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:</p> <ol style="list-style-type: none"> <li>a. Any Multiple Employer Welfare Arrangement; or,</li> <li>b. Any health maintenance organization or preferred provider organization; or,</li> <li>c. Any pool, syndicate, association or other combination formed for the purpose of providing insurance or benefits; or,</li> <li>d. Any risk retention group, purchasing group, captive or self-insurance program.</li> </ol>	<p><b>N. Professional Services</b> means the following services rendered in connection with a Covered Product by the Insured to a Client in the conduct of the Named Insured’s profession as an Insurance Agent or Broker or Solicitor, General Agent, Managing General Agent, Surplus Lines Broker, or a Notary Public:</p> <ol style="list-style-type: none"> <li>1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a Covered Product; but not including the sale, surrender, conversion or any alteration of a Covered Product in order to acquire or invest in anything other than a Covered Product;</li> <li>2. Providing advice or consultation solely related to a Covered Product, including financial planning or consulting solely related to a Covered Product, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a Covered Product in order to acquire or invest in anything other than a Covered Product;</li> <li>3. Incidental Claims adjusting in connection with first party Property claims draft authority;</li> <li>4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a Covered Product;</li> <li>5. Providing loss control or risk management services in connection with soliciting, placing, selling or servicing a Covered Product;</li> <li>6. Assisting a Client to secure premium financing from a licensed premium finance company for a Covered Product placed by or on behalf of the Insured;</li> <li>7. Training, managing and supervising others, but only in connection with Covered Products;</li> <li>8. Employee Benefit Plan Administration;</li> <li>9. Expert witness testimony related to Professional Services or a Covered Product; or</li> <li>10. Insurance class instruction.</li> </ol> <p>However, Professional Services shall not include: –</p> <ol style="list-style-type: none"> <li>a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for: <ol style="list-style-type: none"> <li>i. Any Multiple Employer Welfare Arrangement;</li> <li>ii. Any health maintenance organization or preferred provider organization;</li> <li>iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or</li> <li>iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;</li> </ol> </li> </ol>	<p><b>N. Professional Services (Was M.)</b> – Changed for clarity and adds <b>Employee Benefit Plan Administration.</b></p>
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	<p>b. Any services performed by any Insured in their capacity as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;</p> <p>c. Any services which the Insured is not licensed to render on any date on which a <b>Wrongful Act</b> involving such services is alleged to have occurred, provided that lack of license is due to the Insured’s deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the Insured’s knowledge and consent; or</p> <p>d. Any commingling, misappropriation or conversion of Client’s funds.</p> <p>However, <b>Professional Services</b> shall not include: –</p> <p>a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:</p> <ul style="list-style-type: none"> <li>i. Any Multiple Employer Welfare Arrangement;</li> <li>ii. Any health maintenance organization or preferred provider organization;</li> <li>iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or</li> <li>iv. Any risk retention group, purchasing group, Professional Employer Organization(PEO), captive or self-insurance program;</li> </ul> <p>b. Any services performed by any Insured in their capacity as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;</p> <p>c. Any services which the Insured is not licensed to render on any date on which a <b>Wrongful Act</b> involving such services is alleged to have occurred, provided that lack of license is due to the Insured’s deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the Insured’s knowledge and consent; or</p> <p>d. Any commingling, misappropriation or conversion of Client’s funds.</p>	
<p><b>N. Retroactive Date</b> means the earliest date on which a <b>Wrongful Act</b> could take place for which coverage could exist for Claim made under this policy. <b>Wrongful Acts</b> which occur in whole prior to this date are not covered, even if a Claim is made under this policy. It is the date shown as the <b>Retroactive Date</b> in the Declarations. If "none" is entered, full prior <b>Wrongful Acts</b> coverage is provided, subject to all other terms and conditions of this policy.</p>	<p><b>O. Retroactive Date</b> means:</p> <ol style="list-style-type: none"> <li>1. The date shown under <b>Retroactive Date</b> in the Declarations. If "none" is entered, full prior <b>Wrongful Acts</b> coverage is provided, subject to all other terms and conditions of this Policy; and</li> <li>2. The <b>Retroactive Date</b> is the earliest date on which a <b>Wrongful Act</b> took place for which coverage could exist for a Claim made under this Policy. <b>Wrongful Acts</b> which occur in whole or part prior to this date are not covered, even if a Claim is made under this Policy during the <b>Policy Period</b> or <b>Extended Reporting Period</b>.</li> </ol>	<p><b>O. Retroactive Date</b> (Was N) Same except item 2., 2<sup>nd</sup> sentence adds “Extended Reporting Period.”</p>
	<p><b>P. Suit</b> means:</p> <p>A civil proceeding seeking compensatory monetary damages. <b>Suit</b> includes:</p> <ol style="list-style-type: none"> <li>1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the Insured is legally required to submit to arbitration, or does so with <b>Our</b> consent; or</li> <li>2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the Insured submits with <b>Our</b> consent.</li> </ol>	<p><b>P. Suit</b> is new</p>

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<p>O. <b>Wrongful Act</b>, either in singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the <b>Insured</b> in the rendering of or failure to render <b>Professional Services</b>; or</li> <li>Any actual or alleged negligent <b>Personal Injury</b> arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>.</li> </ol>	<p>Q. <b>Wrongful Act</b>, either in singular or plural, means:</p> <ol style="list-style-type: none"> <li>Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the <b>Insured</b> in the rendering of or failure to render <b>Professional Services</b>; or</li> <li>Any actual or alleged negligent <b>Personal and Advertising Injury</b> arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>.</li> </ol>	<p>Q. <b>Wrongful Act</b> (Was O.), and now references “<b>Personal and Advertising Injury</b>”.</p>
<p>IV. EXCLUSIONS</p>	<p>IV. EXCLUSIONS</p>	<p>Throughout the Exclusions section, you will note references to “any <b>Insured</b>” have been changed to “the <b>Insured</b>” in some exclusions. Corrected bold-face where appropriate as well. Any additional changes are so noted.</p>
<p><b>We shall not be liable to make any payment for Loss in connection with any Claim:</b></p> <p>A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by any <b>Insured</b> or any loss expected or intended by any <b>Insured</b>; provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such <b>Insured</b> establishing that such <b>Insured</b> committed such conduct;</p>	<p><b>We shall not be liable to make any payment in connection with any Claim:</b></p> <p>A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the <b>Insured</b> or any <b>Loss</b> expected or intended by the <b>Insured</b>, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such <b>Insured</b> establishing that such <b>Insured</b> committed such conduct and applies only to the <b>Insured</b> who participated in, acted with knowledge of, or acquiesced to such conduct;</p>	<p>Removed “for <b>Loss</b>” in the Exclusions lead-in</p> <p>Exclusion A. now states that the exclusion “applies only to the <b>Insured</b> who participated in, acted with knowledge of, or acquiesced to such conduct;”</p>
<p>B. Based upon or arising out of any <b>Insured</b> gaining in fact any personal profit or advantage to which such <b>Insured</b> was not legally entitled;</p> <p>C. Based upon, arising out of or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>Bodily injury, including sickness, injury, disease or death of any person; provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>; or</li> <li>Damage to or destruction of any property, including loss of use thereof;</li> </ol>	<p>B. Based upon or arising out of the <b>Insured</b> gaining in fact any personal profit or advantage to which such <b>Insured</b> was not legally entitled;</p> <p>C. Based upon, arising out of, or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>Bodily injury, including sickness, injury, disease or death of any person; provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the <b>Insured’s</b> rendering of or failure to render <b>Professional Services</b>, or</li> <li>Damage to or destruction of any property, including loss of use thereof;</li> </ol>	<p>Exclusions B. – same</p> <p>Exclusion C. – same.</p>

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<p>D. Based upon, arising out of or in any way involving any actual or alleged infringement of copyright, patent, trademark, trade name, trade dress, service mark or misappropriation of ideas or trade secrets, piracy or plagiarism;</p> <p>E. Based upon, arising out of or in any way involving:</p> <ol style="list-style-type: none"> <li>1. Any pension, welfare or benefit plan organized for the benefit of employees of the <b>Named Insured</b>; or</li> <li>2. Any <b>Insured's</b> obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;</li> </ol> <p>F. Based upon, arising out of or in any way involving any <b>Insured's</b> actions, activities, responsibilities or duties as a third party claims administrator of any plan, whether insured or self-insured;</p>	<p>D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the <b>Insured</b>;</p> <p>E. Based upon, arising out of, or in any way involving:</p> <ol style="list-style-type: none"> <li>1. Any pension, welfare or benefit plan organized for the benefit of employees of any <b>Insured</b>; or</li> <li>2. Any <b>Insured's</b> obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any <b>Insured</b> under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;</li> </ol> <p>F. Based upon, arising out of, or in any way involving any <b>Insured's</b> actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. <b>Professional Services</b>;</p>	<p>Exclusion D. – applies to infringement of any intellectual property rights. Contains exception for advertising by the Insured.</p> <p>Exclusion E., item 1. applies to any <b>Insured</b>; Item 2. adds reference to pensions welfare or benefit plan and Pension Protection Act of 2006 (PPA)</p> <p>Exclusion F. – adds “except as provided under definition III.N. Professional Services”</p>
<p>G. Based upon, arising out of or in any way involving any:</p> <ol style="list-style-type: none"> <li>1. Liability of others assumed by any <b>Insured</b> in a written or oral contract or agreement; or</li> <li>2. Actual or alleged liability of any <b>Insured</b> under any written or oral contract or agreement;</li> </ol> <p>provided, however this exclusion shall not apply to liability of any <b>Insured</b> which would exist in the absence of such contract or agreement;</p>	<p>G. Based upon, arising out of, or in any way involving any sums the <b>Insured</b> is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:</p> <ol style="list-style-type: none"> <li>1. That the <b>Insured</b> would have in the absence of the contract or agreement, or</li> <li>2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged <b>Wrongful Act</b> for which the <b>Claim</b> in question is made, and provided that the coverage for the <b>Claim</b> otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the <b>Insured</b> are deemed to be Loss (and not <b>Claim Expenses</b>), provided:             <ol style="list-style-type: none"> <li>a. Liability to such party for, or for the cost of, that party's defense has also been assumed under the written contract or agreement in question, and</li> <li>b. Such attorney fees and litigation expenses are for defense of that party against a <b>Claim</b> or <b>Suit</b> seeking Loss to which this insurance applies;</li> </ol> </li> </ol>	<p>Exclusion G. revised for clarity.</p>

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<p>H. Based upon, arising out of or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any Covered Products or as to non-guaranteed interest rates or future premium payments;</p> <p>I. Based upon, arising out of or in any way involving any actual or alleged:</p> <ol style="list-style-type: none"> <li>1. Liability for any employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy, infliction of emotional distress; invasion of privacy; or retaliation; or</li> <li>2. Discrimination or harassment of any kind, other than any discrimination or harassment excluded in 1. above, against any person or entity;</li> </ol> <p>J. Based upon, arising out of or in any way involving any services performed by the Insured, whether or not the Insured is licensed as such, as:</p> <ol style="list-style-type: none"> <li>1. an accountant, architect, actuary, tax preparer or advisor (except for tax advice provided directly concerning a Covered Product), attorney, real estate agent or broker;</li> <li>2. engineer, a financial planner or registered investment adviser, except as to services directly related to a Covered Product;</li> <li>3. registered representative, securities broker or dealer;</li> </ol>	<p>H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any Covered Products or as to non-guaranteed interest rates or future premium payments;</p> <p>I. Based upon, arising out of, or in any way involving any Insured's actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;</p> <p>J. Based upon, arising out of, or in any way involving any services performed by the Insured, whether or not the Insured is licensed as such, as:</p> <ol style="list-style-type: none"> <li>1. A tax preparer or advisor (except for tax advice provided directly concerning a Covered Product), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,</li> <li>2. A financial planner, except as to services directly related to a Covered Product, or</li> <li>3. A registered representative, registered investment advisor or investment advisor representative, or securities broker dealer;</li> </ol>	<p>Exclusion H. – No change</p> <p>Exclusion I. revised for clarity</p> <p>Exclusion J. revised for clarity and adds "registered investment advisor or investment advisor representative"</p>
<p>K. Based upon, arising out of:</p> <ol style="list-style-type: none"> <li>1. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, or premium;</li> <li>2. Any dispute with another insurance agent or broker, including, but not limited to, any dispute concerning commissions, fees, client lists or entitlements; or</li> <li>3. Any commingling, misappropriation or conversion of funds;</li> </ol> <p>L. Based upon, arising out of or in any way involving any actual or alleged unauthorized use or release of any confidential or private information pertaining to any Client, any director, manager, partner, member, officer or employee of any Client or any family member of any such person;</p>	<p>K. Based upon, arising out of, or in any way involving any Claim or dispute between Insureds or with another insurance agent or broker, registered representative, registered investment advisor or investment advisor representative including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the Wrongful Act arises out of Professional Services by an Insured rendered to such other Insured, agent or broker as a Client, provided the Insured rendering such Professional Service does not have any legal or equity interest in the subject of the insurance or investment procured for the Client;</p> <p>L. Based upon, arising out of, or in any way involving the Insured's unauthorized use or release of any confidential or private information pertaining to any Client, any director, manager, partner, member, officer or employee of any Client or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the Insured seeking coverage;</p>	<p>Exclusion K. revised for clarity</p> <p>Exclusion L – Adds statement that the exclusion shall not apply if such use or release was made without the knowledge of the Insured seeking coverage.</p>

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<p><b>M.</b> Based upon, arising out of or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any organization, including but not limited to a <b>Product Provider</b>, regardless of when the financial impairment of such organization began and whether or not any <b>Insured</b> was aware or could have been aware of the financial impairment of such organization; provided, however, this exclusion shall not apply if at the time of the <b>Wrongful Act</b> the <b>Product Provider</b> was:</p> <ol style="list-style-type: none"> <li>1. An admitted Property Casualty Insurance Company Rated B+ or better by A.M. Best Company, or a Life Insurance/Accident and Health Insurance Company rated A- or better by A.M. Best Company;</li> <li>2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the Covered Product involved was sold, placed or obtained, or;</li> <li>3. The <b>Product Provider</b> was guaranteed by a governmental body or bodies or operated by a governmental body or bodies (including but not limited to assigned risk plans, Joint Underwriting Association's, or fair plans) or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company, or was part of the Iowa Communities Assurance Pools (ICAPS);</li> </ol>	<p><b>M.</b> Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a <b>Product Provider</b>, regardless of when the financial impairment of such entity began and whether or not any <b>Insured</b> was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the <b>Product Provider</b> was:</p> <ol style="list-style-type: none"> <li>1. An admitted insurance company rated B+ or better by A.M. Best Company,</li> <li>2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the <b>Covered Product</b> was sold, placed or obtained, or</li> <li>3. The <b>Product Provider</b> was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;</li> </ol>	<p>Exclusion M revised for clarity and removes reference to “Iowa Communities Assurance Pools (ICAPS)”.</p>
<p><b>N.</b> Based upon, arising out of or in any way involving the direct or indirect placement of, or any recommendation to place, any <b>Client’s</b> insurance, coverage, funds, premium, or product with or in any <b>Product Provider</b>, entity or vehicle not licensed to transact such business in the state or jurisdiction in which such business was conducted; provided, however, this exclusion shall not apply with respect to any <b>Product Provider</b> authorized or approved as a surplus lines insurer or carrier in the state or jurisdiction in which such business was conducted;</p> <p><b>O.</b> Based upon, arising out of or in any way involving any promissory notes, viatical or life settlements as investments or contracts or viatical investment pools or any securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto) backed by viatical settlements, commodities, commodity future contracts, or option contracts;</p> <p><b>P.</b> Based upon, arising out of or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a <b>Claim</b> solely based upon or arising out of the selling or servicing of a <b>Covered Product</b> utilized to fund a structured settlement;</p>	<p><b>N.</b> Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any <b>Client’s</b> insurance, coverage, funds, premium, or product with or in any <b>Product Provider</b>, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was conducted, provided, however, this exclusion shall not apply with respect to any <b>Product Provider</b> authorized or approved as a surplus lines insurer or carrier in the state or jurisdiction in which such business was transacted;</p> <p><b>O.</b> Based upon, arising out of, or in any way involving any:</p> <ol style="list-style-type: none"> <li>1. Promissory notes,</li> <li>2. Viatical or life settlements as investments, or viatical investment pools, or</li> <li>3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or</li> <li>4. Commodities, futures contracts, or option contracts;</li> </ol> <p><b>P.</b> Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement, provided, however, this exclusion shall not apply to a <b>Claim</b> solely based upon or arising out of the selling or servicing of a <b>Covered Product</b> utilized to fund a structured settlement;</p>	<p>Exclusion N. Changed “licensed” to read “authorized”.</p> <p>Exclusion O. revised for clarity.</p> <p>Exclusion P. – No change.</p>

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<p>Q. Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>Any <b>Wrongful Act</b> or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy;</li> <li>Any other <b>Wrongful Act</b> whenever occurring, which, together with a <b>Wrongful Act</b> which has been the subject of such notice, would constitute <b>Interrelated Wrongful Acts</b>; or</li> <li>Any <b>Wrongful Act</b> of which the <b>Insured</b> had actual or constructive knowledge as of the Inception of this Policy and which could have reasonably been expected to result in a <b>Claim</b>;</li> </ol> <p>R. Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>The oral or written publication of material, if done by or at the direction of the <b>Insured</b> with knowledge of its falsity; or</li> <li>The oral or written publication of material whose first publication took place before the <b>Retroactive Date</b>;</li> </ol> <p>S. Based upon, arising out of or in any way involving any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous, thermal, or aural irritant, pollutant, contaminant, including but not limited to, noise, lead, asbestos, smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials (including those that are or are to be stored, recycled, reconditioned or reclaimed), into or upon land, air, water or property; or</p> <p>T. Based upon, arising out of or in any way involving any nuclear reaction, radiation, radioactive contamination or radioactive substance, in any form, no matter how emitted.</p>	<p>Q. Based upon or arising out of:</p> <ol style="list-style-type: none"> <li>Any <b>Wrongful Act</b> or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and</li> <li>Any other <b>Wrongful Act</b> whenever occurring, which, together with a <b>Wrongful Act</b> which has been the subject of the notice in Q.1., above, would constitute <b>Interrelated Wrongful Acts</b>;</li> </ol> <p>R. For <b>Personal and Advertising Injury</b> based upon or arising out of:</p> <ol style="list-style-type: none"> <li>The oral or written publication of material, if done by or at the direction of the <b>Insured</b> with knowledge of its falsity, or</li> <li>The oral or written publication of material whose first publication took place before the <b>Retroactive Date</b>;</li> </ol> <p>S. Based upon, arising out of, or in any way involving any actual or alleged violation of :</p> <ol style="list-style-type: none"> <li>The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,</li> <li>The CAN-SPAM Act of 2003, including any amendment of or addition to such law, or</li> <li>Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.</li> </ol>	<p>Exclusion Q. minor edits for clarity and item 3. is now an exception to Exclusion A</p> <p>Exclusion R. – Now references “<u>Personal and Advertising Injury</u>”</p> <p>Exclusion S. is new re: 06 07 edition 144213.</p> <p>Pollution &amp; nuclear exclusion (prior exclusion S. and T.) have been removed.</p>
<p>V. <b>LIMIT OF INSURANCE AND DEDUCTIBLE</b></p> <p>A. The Limit of Insurance shown in the Declarations as applicable each <b>Claim</b> is Our maximum liability for <b>Loss</b> resulting from any one <b>Claim</b> and the Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all <b>Loss</b> resulting from all <b>Claims</b> made during the Policy Period.</p> <p>B. We shall only be liable to pay <b>Loss</b> and <b>Claim Expenses</b> in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every <b>Claim</b>.</p> <p>C. The Deductible may only be satisfied by an actual cash payment by <b>You</b> and may not be satisfied by the release of a claim or counterclaim. <b>You</b> agree that the Deductible shall be uninsured.</p>	<p>V. <b>LIMIT OF INSURANCE AND DEDUCTIBLE</b></p> <p>A. The Limit of Insurance shown in the Declarations as applicable to each <b>Claim</b> is Our maximum liability for <b>Loss</b> resulting from any one <b>Claim</b>. Without regard to the number of <b>Claims</b> or <b>Insureds</b> against whom a <b>Claim</b> has been made, all <b>Loss</b> arising out of the same <b>Wrongful Act</b> or <b>Interrelated Wrongful Acts</b> will be subject to the each <b>Claim</b> limit of liability in effect the first <b>Claim</b> arising out of the <b>Wrongful Act</b> or <b>Interrelated Wrongful Acts</b> was made.</p> <p>B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all <b>Loss</b> resulting from all <b>Claims</b> made during the Policy Period.</p> <p>C. We shall only be liable to pay <b>Loss</b> and <b>Claim Expenses</b> in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every <b>Claim</b>. The Deductible does not increase the Limit of Insurance.</p> <p>The Aggregate Deductible limit that applies for all <b>Claims</b> first made during the Policy Period will not exceed three times the Deductible shown in the Declarations Page. The Aggregate Deductible limit applies separately to each consecutive annual Policy Period.</p> <p>D. If We pay all or part of any Deductible amount, We will notify the <b>Named Insured</b> of Our payment of the Deductible, and request reimbursement. The <b>Named Insured</b> will pay Us for the part of the Deductible We paid within thirty (30) days of Our request.</p> <p>E. The Deductible may only be satisfied by an actual cash payment by the <b>Named Insured</b> and may not be satisfied by the release of a claim or counterclaim.</p>	<p>V. Limit of Insurance and Deductible - Moved claims definition (III. B.) verbiage in to section paragraph A. , clarified deductible application and adds an Aggregate Deductible (which was done by endorsement previously)</p>

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<p><b>VI. CONDITIONS</b></p> <p><b>A. Entire Agreement</b></p> <p>It is agreed that this Policy together with any endorsements and the Declarations constitute the entire agreement existing between You and Us.</p>	<p><b>VI. CONDITIONS</b></p> <p><b>A. Entire Agreement</b></p> <p>It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between You and Us.</p>	<p><b>VI Conditions:</b></p> <p><b>A. Entire Agreement – No change</b></p>
<p><b>B. Extended Reporting Period</b></p> <ol style="list-style-type: none"> <li>1. If the <b>First Named Insured</b> or <b>We</b> cancel or non-renew this Policy for any reason other than for non-payment of premium, the <b>First Named Insured</b> shall have the right, upon payment of the additional premium stated in the Declarations, to purchase an Extended Reporting Period of the duration stated in the Declarations.</li> <li>2. The Extended Reporting Period applies only to a <b>Claim</b> first made against the <b>You</b> and reported to <b>Us</b> during the Extended Reporting Period, but only for a <b>Wrongful Act</b> committed or allegedly committed before the end of the <b>Policy Period</b> and that would have been covered by this Policy if such <b>Claim</b> had been first made during the <b>Policy Period</b>.</li> <li>3. As a condition precedent to 1. and 2. above, all of the following apply: <ol style="list-style-type: none"> <li>a. The total premium due for this Policy must have been paid.</li> <li>b. The Extended Reporting Period is available by endorsement for an additional premium. Such additional premium to be determined at the time of purchase. It will take effect only if, within ninety (90) days after the end of the <b>Policy Period</b>, the <b>First Named Insured</b> requests it from <b>Us</b> in writing and pays to <b>Us</b> the additional premium due.</li> <li>c. The right to purchase an Extended Reporting Period will lapse unless <b>We</b> receive written notice of such election, together with payment of the additional premium due is received, within ninety (90) days after the end of the <b>Policy Period</b>.</li> </ol> </li> <li>d. The Extended Reporting Period does not extend the <b>Policy Period</b> or change the scope of coverage provided by this Policy.</li> <li>e. The Extended Reporting Period is not cancelable, and the premium will be deemed fully earned at the inception date of such Extended Reporting Period.</li> <li>f. The Extended Reporting Period will be subject to this Policy’s remaining Limit of Insurance, if any, and the purchase of the Extended Reporting Period will not reinstate or increase any Limit of Insurance provided by this Policy.</li> </ol>	<p><b>B. Extended Reporting Period</b></p> <ol style="list-style-type: none"> <li>1. <b>We</b> will provide an Extended Reporting Period as described below if this policy is cancelled or non-renewed for any reason other than non-payment of premium, or if <b>We</b> renew this Policy with insurance that has a <b>Retroactive Date</b> later than the date shown in the Declarations of this Policy.</li> <li>2. Extended Reporting Periods do not extend the <b>Policy Period</b> or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.</li> <li>3. Extended Reporting Periods do not apply to <b>Claims</b> that are covered under any subsequent insurance <b>You</b> purchase or that would be covered but for exhaustion of the amount of insurance applicable to such <b>Claims</b>.</li> <li>4. All <b>Claims</b> under Extended Reporting Periods must be reported to <b>Us</b> in accordance with Conditions VI. D.</li> <li>5. <b>Basic Extended Reporting Period</b> <ol style="list-style-type: none"> <li>a. A <b>Basic Extended Reporting Period</b> is automatically provided without additional charge. This period starts at the date of <b>Policy</b> termination or the end of the <b>Policy Period</b>, whichever is earlier, and lasts for sixty (60) days.</li> <li>b. <b>Claims</b> made against the <b>Insured</b> within sixty (60) days after <b>Policy</b> termination or the end of the <b>Policy Period</b>, whichever is earlier, and which arise out of a <b>Wrongful Act</b> that was committed during the <b>Policy Period</b> but not before the <b>Retroactive Date</b>, if any, stated in the Declarations, will be deemed to have been made on the last day of the <b>Policy Period</b>.</li> <li>c. The <b>Basic Extended Reporting Period</b> does not reinstate or increase the Limits of Insurance.</li> </ol> </li> </ol>	<p><b>B. Extended Reporting Period – Changed so to be similar to ISO provisions re: ERPs, i.e. provisions for Basic and Supplemental ERPs are provided. Adds pricing for Supplemental ERP terms of 1,2,3,4,5 and 10 yrs and adds change in control notification .</b></p>

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	<p>6. Supplemental Extended Reporting Period</p> <p>a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. You must give Us a written request for the endorsement within sixty (60) days after the end of the Policy Period, or Policy termination date, whichever is earlier. The Supplemental</p> <p>Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.</p> <p>b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. Claims made against the Insured within the term of the Supplemental Extended Reporting Period which arise out of a <b>Wrongful Act</b> that was committed during the <b>Policy Period</b>, but not before the <b>Retroactive Date</b>, if any, stated in the Declarations, will be deemed to have been made on the last day of the <b>Policy Period</b>.</p> <p>c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.</p> <p>d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:</p> <table border="0"> <thead> <tr> <th>Term (Years)</th> <th>Rate (% of Expiring Annual Premium)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>70%</td> </tr> <tr> <td>2</td> <td>100%</td> </tr> <tr> <td>3</td> <td>130%</td> </tr> <tr> <td>4</td> <td>160%</td> </tr> <tr> <td>5</td> <td>200%</td> </tr> <tr> <td>10</td> <td>300%</td> </tr> </tbody> </table> <p>e. If the <b>Named Insured</b> fails to notify Us of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.</p>	Term (Years)	Rate (% of Expiring Annual Premium)	1	70%	2	100%	3	130%	4	160%	5	200%	10	300%	
Term (Years)	Rate (% of Expiring Annual Premium)															
1	70%															
2	100%															
3	130%															
4	160%															
5	200%															
10	300%															

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage – 144213  
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<p><b>C. Liberalization</b></p> <p>If We adopt a change in Our forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this policy without an extra premium charge, the broader coverage will apply to this policy. This extension is effective upon the approval of such broader coverage in your state.</p> <p><b>D. Reporting of Potential Claims</b></p> <p>If during the Policy Period, You first become aware of a Wrongful Act which might reasonably be expected to give rise to a Claim and, during the Policy Period or within sixty (60) days after the end of the Policy Period, give written notice to Us of such Wrongful Act as required below, then any Claim subsequently made against You by reason of such Wrongful Act shall be deemed to have been first made during the Policy Period.</p> <p>Written report of a potential Claim shall include:</p> <ol style="list-style-type: none"> <li>1. The specific facts or circumstances which constitute the Wrongful Act, including the date(s) thereof, and the Insured involved;</li> <li>2. The date and circumstances by which You became aware of such Wrongful Act; and</li> <li>3. The Loss that may reasonably result.</li> </ol>	<p><b>C. Liberalization</b></p> <p>If We adopt a change in Our forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in Your headquarters state.</p> <p><b>D. Reporting of Potential Claims or Actual Claims</b></p> <ol style="list-style-type: none"> <li>1. Reporting of Potential Claims <p>If during the Policy Period, You first become aware of a Wrongful Act which might reasonably be expected to give rise to a Claim, and during the Policy Period give written notice to Us of such Wrongful Act as required below, then any Claim subsequently made against You by reason of such Wrongful Act shall be deemed to have been first made during the Policy Period.</p> <p>Written report of a potential Claim must include:</p> <ol style="list-style-type: none"> <li>a. The specific facts and circumstances which constitute the Wrongful Act, including the date(s) thereof, and the Insured and Clients involved;</li> <li>b. The date and circumstances by which You became aware of such Wrongful Act; and</li> <li>c. The Loss that may reasonably result.</li> </ol> </li> <li>2. Reporting of Actual Claims <p>You shall provide notice to Us as soon as practicable after a Claim is first made against You. This notice shall be deemed sent to Us only if it is received by Us via facsimile or electronic mail or sent by You by prepaid registered or return-receipt-requested mail properly addressed to Us at the address shown in or attached to this Policy.</p> </li> </ol>	<p><b>C. Liberalization</b> Added the word "headquarters" in last line.</p> <p><b>D. Reporting of Potential Claims and Actual Claims:</b></p> <ul style="list-style-type: none"> <li>• Removed 60 day reporting for potential claims after the Policy Period</li> <li>• Clarified what needs to be reported with potential claims</li> <li>• Added Actual Claims reporting with 60 days notice (from 90 days when item 2. under Authorization Clause/Notices condition)</li> </ul>
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**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage – 144213  
Fireman's Fund Insurance Companies®**

<p><b>E. Action Against Us</b></p> <ol style="list-style-type: none"> <li>1. No one shall sue Us unless the following conditions precedent are met:             <ol style="list-style-type: none"> <li>a. There has been full compliance with all the terms of this Policy; and</li> <li>b. The amount of the Your obligation to pay shall have been finally determined either by judgment against You after actual and contested trial on the merits, or by written agreement of the You, the claimant, and Us.</li> </ol> </li> <li>2. 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.</li> <li>3. Nothing contained in this Policy shall give any person or organization any right to join Us as a co-defendant in any action against the You to determine the Your liability. Your bankruptcy or insolvency shall not relieve Us of any obligation hereunder.</li> </ol> <p><b>F. Subrogation and Assignment</b></p> <ol style="list-style-type: none"> <li>1. When We pay under this Policy, We receive the Your rights against third parties and may subrogate against third parties. You are required to execute and deliver any instruments and papers and do whatever else is necessary to secure Our rights. You agree not to prejudice Our subrogation rights.</li> <li>2. You may not assign any interest in this Policy unless We give Our prior written consent.</li> </ol>	<p><b>E. Legal Action Against Us</b></p> <p>No person or organization has a right under this Policy:</p> <ol style="list-style-type: none"> <li>1. To join Us as a party or otherwise bring Us into a Suit asking for damages from an Insured; or</li> <li>2. To sue Us on this Policy unless all of its terms have been fully complied with.</li> </ol> <p>A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured; but We will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by Us, the Insured and the claimant or the claimant's legal representative.</p> <p><b>F. Subrogation and Assignment</b></p> <ol style="list-style-type: none"> <li>1. If the Insured has rights to recover all or part of any payment We have made under this Policy, those rights are transferred to Us. The Insured must do nothing to impair them. At Our request, the Insured will bring Suit or transfer those rights to Us and help Us enforce them.</li> <li>2. You may not assign any interest in this Policy unless We give Our prior written consent.</li> </ol>	<p><b>E. Legal Action Against Us –</b> Changed to ISO style re: this condition</p> <p><b>F. Subrogation and Assignment</b> Changed to ISO style re: this condition</p>
<p><b>G. Changes</b></p> <p>The terms of this Policy shall not be waived or changed, except by endorsement issued by Us to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop Us from asserting any right under the terms of this Policy.</p>	<p><b>G. Changes</b></p> <p>The terms of this Policy shall not be waived or changed, except by endorsement issued by Us to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop Us from asserting Our rights under the terms of this Policy.</p>	<p><b>G. Changes</b> Last line, the word “any” changed to “Our”.</p>
<p><b>H. Authorization Clause/Notices</b></p> <ol style="list-style-type: none"> <li>1. By acceptance of this Policy by payment of premium, You agree that the <b>First Named Insured</b> shall act on Your behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.</li> <li>2. You shall provide notice to Us as soon as practicable after a Claim is first made against You but in no event later than ninety (90) days after the Policy Period. This notice shall be deemed sent to Us only if it is received by Us via facsimile or electronic mail or sent by the Insured by prepaid registered or return-receipt-requested mail properly addressed to Us as set forth in the Declarations. Notwithstanding the requirement that the Claim must be first made and reported to Us during the Policy Period, if continuous coverage is in effect pursuant to consecutive policies issued by Us, a Claim may be first made against the Insured during one Policy Period and may be reported to Us in writing during the consecutive, immediately following Policy Period without constituting a violation of this provision.</li> <li>3. No insurance agent or broker is appointed or authorized by Us to receive the notice required by this Policy. Your notice to any insurance broker or agent shall not be notice to Us, unless and until We receive actual notice at the above address.</li> </ol>	<p><b>H. Authorization Clause/Notices</b></p> <p>By acceptance of this Policy by payment of premium, You agree that the <b>First Named Insured</b> shall act on Your behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.</p>	<p><b>F. Authorization Clause/Notices –</b> Paragraph 1, same; Claims notice requirement that was under this condition is now D.2. Reporting of Potential Claims.</p>

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage – 144213  
Fireman’s Fund Insurance Companies®**

<p><b>I. Other Insurance</b></p> <p>1. The insurance provided by this Policy shall apply only in excess of any other insurance available to <b>You</b> and shall not contribute with other such insurance.</p> <p>If <b>You</b> have other insurance against the <b>Loss</b> covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Liability of this Policy exceeds the sum of the applicable Limit of Liability of all such other insurance.</p> <p>This provision will not apply if the <b>Insured</b> has similar coverage with <b>Us</b>, or one of <b>Our</b> affiliates. In this event, the <b>Insured</b> must elect under which policy the claim will be made and the other policy will be void and any premium will be refunded.</p> <p>2. <b>You</b> shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after the <b>Your</b> receipt of a <b>Claim</b> or obtaining information regarding a potential <b>Claim</b>.</p> <p><b>J. Conformance With State Statutes</b></p> <p>Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to <b>You</b> are hereby amended to conform to such statutes.</p>	<p><b>I. Other Insurance</b></p> <p>1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the <b>Insured</b> and shall not contribute with other such insurance. If the <b>Insured</b> has other insurance for the <b>Loss</b> covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.</p> <p>This provision will not apply if the <b>Insured</b> has similar coverage with <b>Us</b>, or one of <b>Our</b> affiliates. In this event, the <b>Insured</b> must elect under which policy the <b>Claim</b> will be made. –</p> <p>2. The <b>Insured</b> shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:</p> <p>a. Receipt of a <b>Claim</b>;</p> <p>b. Obtaining information regarding a potential <b>Claim</b>; or</p> <p>c. <b>We</b> request such notice be given.</p> <p><b>J. Conformance With State Statutes</b></p> <p>Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to <b>You</b> are hereby amended to conform to such statutes.</p>	<p><b>I. Other Insurance –</b></p> <ul style="list-style-type: none"> <li>Item 1, 2<sup>nd</sup> paragraph, removed “and the other policy will be void and any premium will be refunded”;</li> <li>Item 2 – Adds statement “<b>We</b> request such notice be given.”</li> </ul> <p><b>J. Conformance With State Statutes – No Change</b></p>
<p><b>K. Cancellation and Nonrenewal</b></p> <p>1. <b>Cancellation</b></p> <p>a. The <b>First Named Insured</b> may cancel this Policy by mailing or delivering to <b>Us</b> advance written notice of cancellation. The <b>Policy Period</b> will end on the effective date requested.</p> <p>b. <b>We</b> may cancel this Policy only in the event of non-payment of premium, and if <b>We</b> cancel for non-payment of premium, <b>We</b> will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to <b>Us</b>, written notice stating the reason for cancellation, at least twenty (20) days before the effective date of cancellation.</p> <p>c. Notice of cancellation will state the effective date of cancellation. The <b>Policy Period</b> will end on the date of cancellation.</p> <p>d. If this Policy is cancelled, <b>We</b> will send the <b>First Named Insured</b> any premium refund due. If <b>We</b> cancel, the refund will be the pro rata unearned premium. If the <b>First Named Insured</b> cancels, the refund may be less than pro rata. The cancellation will be effective even if <b>We</b> have not made or offered a refund.</p> <p>e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p><b>K. Cancellation and Nonrenewal</b></p> <p>1. <b>Cancellation</b></p> <p>a. The <b>First Named Insured</b> may cancel this Policy by mailing or delivering to <b>Us</b> advance written notice of cancellation. The <b>Policy Period</b> will end on the effective date requested.</p> <p>b. <b>We</b> may cancel this Policy only in the event of non-payment of premium, and if <b>We</b> cancel for non-payment of premium, <b>We</b> will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to <b>Us</b>, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.</p> <p>c. Notice of cancellation will state the effective date of cancellation. The <b>Policy Period</b> will end on the date of cancellation.</p> <p>d. If this Policy is cancelled, <b>We</b> will send the <b>First Named Insured</b> any premium refund due. If <b>We</b> cancel, the refund will be the pro rata unearned premium. If the <b>First Named Insured</b> cancels, the refund may be less than pro rata. The cancellation will be effective even if <b>We</b> have not made or offered a refund.</p> <p>e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p><b>K. Cancellation and Nonrenewal</b></p> <p>Item 1. Cancellation, same except b. that now states when <b>We</b> cancel, we provide 10 days notice...” or as stated in the state specific changes endorsement attached to this Policy.” (The prior condition allowed for 20 day notice and no reference to state changes endorsement)</p>

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage – 144213  
Fireman's Fund Insurance Companies®**

<p>2. Non-renewal by Us</p> <p>a. We are not required to renew this Policy when it expires.</p> <p>b. If We elect not to renew this Policy, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for non-renewal, at least sixty (60) days but not more than one hundred and twenty (120) days before the effective date of non-renewal.</p> <p>c. Notice of non-renewal will state the effective date of non-renewal. The <b>Policy Period</b> will end on the date of non-renewal.</p> <p>d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p>2. Non-renewal by Us</p> <p>a. We are not required to renew this Policy when it expires.</p> <p>b. If We elect not to renew this Policy, We will mail by first class or certified mail, to the <b>Named Insured</b> and the agent or broker of record, at their last address known to Us, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.</p> <p>c. Notice of non-renewal will state the effective date of non-renewal. The <b>Policy Period</b> will end on the date of non-renewal.</p> <p>d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.</p>	<p>Item 2. Non-renewal By Us – No Change</p>
	<p><b>L. Bankruptcy</b></p> <p>Bankruptcy or insolvency of the <b>Insured</b> or of the <b>Insured's</b> estate will not relieve Us of Our obligations under this Policy.</p> <p><b>M. Notification of Change of Control of Named Insured</b></p> <p>If during the <b>Policy Period</b> there is an acquisition of the <b>Named Insured</b>, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the <b>Named Insured</b> with another entity such that the <b>Named Insured</b> is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a <b>Wrongful Act</b> occurring prior to the acquisition, merger, consolidation, or change in control.</p> <p>The <b>Named Insured</b> shall give Us written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information We may require.</p> <p>The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the <b>Named Insured</b>, or the <b>Named Insured</b> becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.</p>	<p><b>L. Bankruptcy &amp; M. Notification of Change of Control of Named Insured</b> are new</p>
<p>This Policy is not valid unless a Declarations page is signed by Our authorized representative.</p> <p>IN WITNESS WHEREOF, We have caused the signatures of Our executive officers to be affixed hereto, and have caused this Policy to be countersigned by Our authorized representative.</p>	<p>This Policy is not valid unless a Declarations page is signed by Our authorized representative.</p> <p>IN WITNESS WHEREOF, We have caused the signatures of Our executive officers to be affixed hereto, and have caused this Policy to be countersigned by Our authorized representative.</p>	<p>No change</p>

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**Additional Insured Personal Production – 143307 ~~09-05-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**Independent Property & Casualty Insurance Agents Errors and Omissions Liability**  
**Insurance Coverage**

In consideration of the premium charged, it is understood and agreed that the following:

**Schedule**

**Name(s) of Employees:**

Information required to complete this Schedule, if not shown above, will be shown in the  
Declarations.

~~We agree with You~~ as follows:

Section III. DEFINITIONS, G. Insured is amended by the addition of the following:

Any The individuals who were was, or is are, an employees of any the **Named Insured**  
performing **Professional Services** for their own "Personal Production."

Such individual(s) shall be designated by name in the above Schedule.

As used in this endorsement, "Personal Production" means **Covered Products** placed pursuant  
to such individual's direct contract with a **Product Provider** and which are not placed for or on  
behalf of the **Named Insured**.

~~Section III DEFINITIONS , F. Insured is amended by the addition of:~~

~~5. Any natural person who was, now is, or shall be an employee of any **Named Insured** providing~~  
~~**Professional Services** for their own personal production. Such employees shall be designated by~~  
~~name in the above Schedule.~~

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

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President

143307 ~~9-05-6-07~~

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**Blanket Independent Contractors With Separate Shared Limit –  
144319 ~~09-05-06~~ 07  
Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

**~~We agree with you as follows:~~**

A. ~~Section III – Definitions, F. Insured, 4.~~ is deleted in its entirety and replaced by the following:

~~4. Any independent contractor(s) listed in the schedule above providing there exists an agreement with the **Named Insured**, but solely while performing **Professional Services**.~~

~~B. A. Solely with respect to coverage Independent Contractor coverage afforded under Section III.G.2.c., this Policy is amended by this endorsement as follows: Section V. **Limit of Insurance and Deductible**, is amended as follows:~~

~~Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended as follows:~~

1. Paragraph ~~C. F.~~ F. is added: is deleted in its entirety and replaced by the following:

~~C. F. A~~ F. ~~The \$2,500 **Per Each Claim** Deductible applies to the coverage afforded by this endorsement. may only be satisfied by an actual cash payment by the independent contractor indicated in the schedule above and may not be satisfied by the release of a claim or counterclaim. Such independent contractor agrees that the Deductible shall be uninsured.~~

2. Paragraph ~~D. G.~~ G. is added:

~~D. G.~~ G. The Limits of ~~Insurance-Liability~~ applicable to all independent contractors listed in the schedule above is \$1,000,000 ~~per each Claim~~ and \$1,000,000 Aggregate. ~~These~~ These limits apply in addition to the Limits of ~~Insurance-Liability~~ stated in the Policy Declarations.

**Premium:** \_\_\_\_\_

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

144319 ~~9-05-6-07~~

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**Specified Independent Contractors With Separate Shared Limit –  
144318 ~~09-05-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Schedule

Name(s) of Independent Contractors:

Retroactive Date:

Information required to complete this Schedule, if not shown above, will be shown in the  
Declarations.

**We agree with you as follows:**

- A. ~~Section III. **Definitions, F. Insured, 4.** is deleted in its entirety and replaced by the following: Section III. **DEFINITIONS, G. Insured,** item 2. is amended by the addition of d. following:~~
- d. The individual scheduled above, but only while acting as an independent contractor for the **Named Insured** pursuant to a written agreement with the **Named insured** which was in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the schedule above.
- ~~4. Any independent contractor(s) listed in the schedule above providing there exists an agreement with the **Named Insured**, but solely while performing **Professional Services.**~~
- B. This Policy is amended solely with respect to the coverage afforded by this endorsement as follows: Section V. **Limit of Insurance and Deductible**, is amended as follows:
- Section V. **Limit of Insurance and Deductible** is amended as follows:
1. Paragraph ~~C. F.~~ is added: is deleted in its entirety and replaced by the following:
- ~~C. F. The \$2,500 **Per Each Claim** Deductible applies to the coverage afforded by this endorsement may only be satisfied by an actual cash payment by the independent contractor indicated in the schedule above and may not be satisfied by the release of a claim or counterclaim. Such independent contractor agrees that the Deductible shall be uninsured.~~
2. Paragraph ~~D. G.~~ is added:
- ~~D. G. The Limits of **Insurance-Liability** applicable to all independent contractors listed in the schedule above is \$1,000,000 per **each Claim** and \$1,000,000 Aggregate. These limits apply in addition to the Limits of **Insurance-Liability** stated in the Policy Declarations.~~

**Premium:** \_\_\_\_\_

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

144318 ~~9-05-6-07~~

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**Specified Independent Contractors - 144317 ~~09-05-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Schedule

Name(s) of Independent Contractors:

Retroactive Date:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

~~We agree with you as follows:~~

A. ~~Section III. **Definitions, F. Insured, 4.** is deleted in its entirety and replaced by the following:~~ Section III. **DEFINITIONS, G. Insured,** item 2. is amended by the addition d., following:

d. The individual or entity scheduled above, but only while acting as an independent contractor for the **Named Insured** pursuant to a written agreement with the **Named insured** which was in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the schedule above.

~~4. Any independent contractor(s) listed in the schedule above providing there exists an agreement with the **Named Insured**, but solely while performing **Professional Services**.~~

B. This Policy is amended solely with respect to the coverage afforded by this endorsement as follows: Section V. **Limit of Insurance and Deductible**, is amended as follows:

Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE** is amended as follows:

1. Paragraph ~~C. F.~~ is added: is deleted in its entirety and replaced by the following:

~~C. F. The \$2,500 **Per Each Claim** Deductible applies to the coverage afforded by this endorsement. may only be satisfied by an actual cash payment by the independent contractor indicated in the schedule above and may not be satisfied by the release of a claim or counterclaim. Such independent contractor agrees that the Deductible shall be uninsured.~~

2. Paragraph ~~D. G.~~ is added:

~~D. G.~~ The Limits of **Insurance-Liability** applicable to each independent contractor listed in the schedule above is \$1,000,000 **per each Claim** and \$1,000,000 Aggregate. ~~T~~ These limits apply in addition to the Limits of **Insurance-Liability** stated in the Policy Declarations.

**Premium:** \_\_\_\_\_

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

144317 ~~9-05-6-07~~

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**Defense Within Limits – 144263 ~~09-05~~ 06 07**

Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life **Insurance** Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & ~~and~~ Casualty **Insurance** Agents Errors and Omissions Liability  
Insurance Coverage

**THIS CHANGE TO LIMIT APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED  
AND ANY ENDORSEMENT ALSO ATTACHED**

**We agree with you as follows:**

- A. **Section I. COVERAGE, B. Defense, Investigation and Settlement of a Claim, paragraph 3., items a. and b. are deleted in their entirety and replaced by the following:**
- a. **We shall pay all Claim Expenses that We incur in any such Claim until the Limit of Insurance shown in the Declarations is exhausted. We have no obligation to pay Claims Expenses, to defend, or to indemnify, once the Limit of Insurance is exhausted;**
  - b. **Our right and duty to defend the Insured and to pay Claim Expenses ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of Claim Expenses and Loss;**
- ~~I. C. Defense, Investigation and Settlement of a Claim, paragraph 2, is  
—deleted in its entirety and replaced by the following:~~
- ~~2. We shall pay all Claim Expenses that We incur in any such Claim until the  
—Limit of Insurance shown in the Declarations is exhausted. We have no  
—obligation to pay Claim Expenses, to defend, or to indemnify, once the  
—Limit of Insurance is exhausted.~~
- B. **Section V. LIMIT OF INSURANCE AND DEDUCTIBLE, items A. and B. are deleted in their entirety and replaced by the following:**
- A. **The Limit of Insurance shown in the Declarations as applicable to each Claim is Our maximum liability for Loss and Claim Expenses resulting from any one Claim. Without regard to the number of Claims or Insureds against whom a Claim has been made, all Loss and Claim Expenses arising out of the same Wrongful Act or Interrelated Wrongful Acts will be subject to the each Claim limit of liability in effect the first Claim arising out of the Wrongful Act or Interrelated Wrongful Acts was made.**
  - B. **The Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all Loss and Claim Expenses resulting from all Claims made during the Policy Period.**
- ~~II. V. Limit of Insurance and Deductible, paragraph A., is deleted in its  
—entirety and replaced by the following:~~
- A. ~~The Limit of Insurance shown in the Declarations as applicable each Claim is Our maximum liability for Loss and Claims Expenses resulting from any one Claim and the Limit of Insurance shown in the Declarations as applicable in the Aggregate is Our maximum liability for all Loss and Claims Expenses resulting from all Claims made during the Policy Period.—~~

All other terms and conditions of the Policy remain unchanged.

144263 ~~9-05-6-07~~

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**Financial Products: ~~Mutual Funds, Group Plans~~ Variable and Equity Indexed Products, Mutual Funds and Securities Products Extension Endorsement - 144242 09-05-06 07  
Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**~~Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage~~**

**Schedule:**

Coverage is only provided for the **Covered Product** identified below with an [X]:

Variable products

Mutual Funds

Group Plans

**Schedule**

**Financial Products: Variable and Equity Indexed Products, Mutual Funds and Securities Extension**

Deductible: \$ \_\_\_\_\_ Each Claim

Limit of Insurance: \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

~~In consideration of the premium paid, it is understood and agreed that~~ The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

4.A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.

\$ \_\_\_\_\_ each Claim.

2B. \$ \_\_\_\_\_ The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.

3C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product**, ~~either in the singular or plural~~, also means the following products offered by a **Product Provider**:

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

144242 9-05-6-07

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1. Variable life and variable annuity products sold or serviced by the Insured as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative;
  2. Equity Indexed Annuities;
  3. Mutual Funds, whether or not offered by a Product Provider, which are registered with the Securities and Exchange Commission and sold or serviced by the Insured as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative; or
  4. Any Securities, whether or not offered by a Product Provider, sold or serviced by the Insured as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative.
1. ~~Variable products, including but not limited to Variable Annuities, Equity Indexed Annuities and Variable Life Insurance, sold or serviced by the Insured as a Registered Representative or serviced on such Agent's behalf by its Agency/Agency Staff;~~
  2. ~~Employee Benefit Plans other than a Multiple Employer Welfare Arrangements (as that term is defined in the Employee Retirement Income Security Act of 1974, as amended), including but not limited to Group Plans, Group or Ordinary Pension or Profit Sharing Plans, Keogh Plans, 401(k) or 501(b) Plans, or Retirement Annuities;~~
  3. ~~Mutual Funds registered with the Securities and Exchange Commission and sold or serviced by the Insured as a Registered Representative or serviced as such Agent's behalf by its Agency/Agency Staff; or~~
  4. ~~Any Securities sold or serviced by the Insured as a Registered Representative or serviced as such Agent's behalf by its Agency/Agency Staff.~~

4D. Section III. **DEFINITIONS**, ~~M.N.~~ Professional Services is amended by the addition of the following:

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the ~~Named Insured's~~ profession as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative so long as, on any date on which a Wrongful Act involving such services is alleged to have occurred, the Insured is properly licensed to render such services or, in the case of a Registered Investment Advisor, properly registered to render such services.

5E. Section III. **DEFINITIONS** is amended by the addition of the following:

P.R. **Registered Representative**, ~~either in the singular or plural,~~ means any **Insured** that is:

1. Licensed and, if applicable registered, by the ~~National Association of Securities Dealers Financial Industry Regulatory Authority (FINRA)~~ and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
2. Contracted with or employed by a broker ~~or~~ dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by ~~the National Association of Securities Dealers FINRA.~~

Q.S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission ~~means an individual or entity which provides services as~~

~~an investment advisor (as defined in the Investment Advisers Act of 1940, as amended), and is registered with the Securities and Exchange Commission.~~

- T. Securities has the same meaning as that term in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto, provided, however, **Securities** shall not include:
1. Any promissory notes;
  2. Any unregistered **Securities**;
  3. Any telephone leasing; or
  4. Any equity **Security** priced under five dollars (\$5.00) at the time of purchase, provided, however, this limitation shall not apply if the **Securities** are:
    - a. Registered or approved for registration upon notice of issuance on a national exchange;
    - b. Authorized for quotation in the NASDAQ system; or
    - c. Issued by an investment company (as defined in the Investment Company Act of 1940, as amended) registered under the Investment Company Act of 1940, as amended.
- R. ~~Securities~~ has the same meaning as that term in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto; provided, however, ~~Securities~~ shall not include any Mutual Funds registered with the Securities and Exchange Commission however, ~~except~~ **Securities** shall not include:
- ~~Any Mutual Funds registered with the Securities and Exchange Commission,~~  
~~Any promissory notes,~~  
~~Any unregistered **Securities**,~~  
~~Any Telephone leasing, or~~  
~~Any equity **Security** priced under five dollars (\$5.00) at the time of purchase; provided, however, this limitation shall not apply if the **Securities** are:~~
- ~~1. Registered or approved for registration upon notice of issuance on a national exchange;~~
  - ~~2. Authorized or approved for authorization upon notice of issuance, for quotation in the NASDAQ system; or~~
  - ~~3. Issued by an investment company (as defined in the Investment Company Act of 1940, as amended) registered under the Investment Company Act of 1940, as amended.~~

~~For the purpose of this definition, any equity **Securities** listed on the NASDAQ bulletin board or pink sheets shall not be considered approved for authorization upon notice of issuance for quotation in the NASDAQ system.~~

5. ~~Section IV. EXCLUSIONS E. and G.~~ are deleted and replaced by the following:

- ~~E.~~ Based upon or arising out of:
- ~~1. Any pension, welfare or benefit plan organized for the benefit of employees of the **Named Insured**; or~~
  - ~~2. Any **Insured's** obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations~~

~~promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;~~

~~G. Actual or alleged liability of an **Insured** under any written or oral contract or agreement, warranty, promise, guarantee or representation, including without limitation any actual or alleged promise, warranty, representation or guarantee as to the performance, value or yield of any **Covered Products** or as to interest rates or future premium payments~~

F. ~~Section IV. **EXCLUSIONS**, J. is amended by deleting the words "registered representative, registered investment advisor or investment advisor representative, or" .~~

~~7. Section IV. **EXCLUSIONS** J. is amended by deleting the phrases: "registered investment advisor" and "registered representative".~~

~~8G.~~ Section IV. **EXCLUSIONS** is amended by the addition of the following:

~~U.T.~~ Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing; or
2. The rules or regulations of:

~~b.a~~ Any self-regulating organization, including but not limited to, ~~National Association of Securities Dealers; FINRA or its predecessors,~~ or

~~e.b.~~ Any state insurance or securities department commission or agency;

~~V.U~~ Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**; ~~or~~

~~W.~~ By a "broker" or "dealer" (as defined in the Securities Exchange Act of 1934, as amended) or an investment company (as defined in the Investment Company Act of 1940, as amended);

~~X.V.~~ Based Solely based upon upon or arising out of any fluctuation in the market value of any investment covered by this Policy; ~~securities (as that term is defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto).~~

~~Y.W.~~ Based upon, or arising out of or in any way involving the ~~sale, placement,~~ formation, syndication, operation, administration, dissolution or roll-up of, ~~or advice concerning:~~ any limited partnership or limited partnership interest; any real estate syndicate or investment trust or any interest therein; ~~or any Internal Revenue Code section 1031 exchange;~~

~~W.X.~~ Based upon, or arising out of or in any way involving any Internal Revenue Code section 1031 exchange;

~~Z-Y.~~ Based upon, or arising out of or in any way involving any **Securities** transaction which has not been approved by a broker ~~or~~ dealer (as defined in the Securities Exchange Act of 1934, as amended);

~~AA-Z.~~ Based upon, or arising out of or in any way involving any **Insured's** actions, activities, responsibilities or duties as a broker-~~or~~ dealer (as defined in the Securities Exchange Act of 1934, as amended) for **Securities** transactions;

~~BB.~~ ~~Based upon or arising out of any actual or alleged violation of any statute, regulation, policy, prospectus, agreement or procedure that limits the frequency or amount of trading that an investor may conduct in the shares of any investment company (as defined in the Investment Company Act of 1940, as amended);~~

~~CC-AA.~~ Based upon, or arising out of or in any way involving the purchase of sale or placement of, or advice concerning the purchase of, any bonds which, at the time of purchase ~~or sale~~ were unrated or rated ~~as~~ below investment grade by any rating agency (~~including but limited to Moody's rated bonds of Ba or lower or S&P rated bonds of BB or lower~~); or

~~DD-BB.~~ Based upon, or arising out of or in any way involving:

1. Any function of an **Insured** as ~~a specialist or~~ market maker for any **Securities**; or
2. An **Insured** failing to make a market for any **Securities**; or
3. ~~The purchase, sale or failure to purchase or sell~~ **Securities** ~~when the Insured is a specialist or market maker for such~~ **Securities**; or

~~EE.~~ ~~Based upon or arising out of any activities in connection with any equity Security priced under five dollars (\$5.00) at the time of purchase; provided, however, this Exclusion shall not apply if the Securities are:~~

1. ~~Registered or approved for registration upon notice of issuance on a national exchange;~~
2. ~~Authorized or approved for authorization upon notice of issuance, for quotation in the NASDAQ system; or~~
3. ~~Issued by an investment company (as defined in the Investment Company Act of 1940, as amended) registered under the Investment Company Act of 1940, as amended.~~

~~For the purpose of this Exclusion, any equity Securities listed on the NASDAQ bulletin board or pink sheets shall not be considered approved for authorization upon notice of issuance for quotation in the NASDAQ system.~~

All other terms and conditions of the Policy remain unchanged.

**Financial Products: ~~Mutual Funds, Variable and Equity Indexed Products, and Mutual Funds~~ Products Extension Endorsement - 144240 09-05-06 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**  
**~~Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage~~**

**Schedule:**

Coverage is only provided for the **Covered Product** identified below with an [X]:  
 Variable products

Mutual Funds

Group Plans

**Schedule**

**Financial Products: Variable and Equity Indexed Products, and Mutual Funds Extension**

Deductible: \$ \_\_\_\_\_ **Each Claim**

Limit of Insurance: \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

~~In consideration of the premium paid, it is understood and agreed that~~ The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

~~4.A.~~ 4.A. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.

~~\$ \_\_\_\_\_ each Claim.~~

~~2B.~~ 2B. \$ \_\_\_\_\_ The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.

~~3C.~~ 3C. Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product**, ~~either in the singular or plural~~, also means the following products offered by a **Product Provider**:

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

1. Variable life and variable annuity products sold or serviced by the Insured as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative;
  2. Equity Indexed Annuities; or
  3. Mutual Funds, whether or not offered by a Product Provider, which are registered with the Securities and Exchange Commission and sold or serviced by the Insured as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative.
1. ~~If identified with an [X] above, Variable products offered by a Product Provider, including but not limited to Variable Annuities, Equity Indexed Annuities and Variable Life Insurance, if sold or serviced by the Agent as a Registered Representative or serviced on such Agent's behalf by its Agency/Agency Staff;~~
  2. ~~If identified with an [X] above, Mutual Funds registered with the Securities and Exchange Commission and sold or serviced by the Agent as a Registered Representative or serviced on such Agent's behalf by its Agency/Agency Staff; or~~
  3. ~~If identified with an [X] above, Employee Benefit Plans other than a Multiple Employer Welfare Arrangements (as that term is defined in the Employee Retirement Income Security Act of 1974, as amended), including but not limited to Group Plans, Group or Ordinary Pension or Profit Sharing Plans, Keogh Plans, 401 (k) or 501 (b) Plans, or Retirement Annuities.~~

4D. Section III. **DEFINITIONS**, ~~M.N. Professional Services~~ is amended by the addition of the following:

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the ~~Named Insured's~~ profession as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative, so long as the **Insured** is properly licensed to render such services on any date on which a **Wrongful Act** involving such services is alleged to have occurred.

5E. Section III. **DEFINITIONS** is amended by the addition of the following:

P.R. **Registered Representative**, ~~either in the singular or plural,~~ means any **Insured** that is:

1. Licensed and, if applicable registered, by the ~~National Association of Securities Dealers Financial Industry Regulatory Authority (FINRA)~~ and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker ~~or~~ dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by ~~the National Association of Securities Dealers FINRA.~~
- S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission. ~~means an individual or entity which provides services as an investment advisor (as defined in the Investment Advisors Act of 1940, as amended), and is registered with the Securities and Exchange Commission.~~

~~6.~~ Section **IV. EXCLUSIONS**, ~~E.~~ is deleted and replaced by the following:

~~E.~~ Based upon or arising out of:

- ~~1. Any pension, welfare or benefit plan organized for the benefit of employees of the Named Insured; or~~
- ~~2. Any Insured's obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;~~

~~7F.~~ Section IV. **EXCLUSIONS**, J. is amended by deleting the words phrase "registered representative, registered investment advisor or investment advisor representative, or" .

~~8G.~~ Section IV. **EXCLUSIONS** is amended by the addition of the following:

~~U.T.~~ Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing; or
2. The rules or regulations of:

~~b.a~~ Any self-regulating organization, including but not limited to, ~~National Association of Securities Dealers; FINRA or its predecessors,~~ or

~~e.b.~~ Any state insurance or securities department commission or agency;

~~V.U.~~ Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**; or

~~W.V.~~ Based Solely based upon ~~upon or arising out of~~ any fluctuation in the market value of any investment covered by this Policy securities (as that term is defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto).

All other terms and conditions of the Policy remain unchanged.

**Financial Products: Variable and Equity Indexed Products Extension Endorsement**  
**144238 09-05-06 07**  
**Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

**~~Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage~~**

**Schedule**

**Financial Products: Variable and Equity Indexed Products Extension**

Deductible \$ \_\_\_\_\_ Each Claim

Limit of Insurance: \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

~~In consideration of the premium paid, it is understood and agreed that~~ The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

~~4.A.~~ The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.

~~\$ \_\_\_\_\_ each **Claim**.~~

~~2B.~~ \$ \_\_\_\_\_ The Limit shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during this **Policy Period** within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during this **Policy Period** shown in the Declarations.

~~3C.~~ Section III. **DEFINITIONS**, D. **Covered Product** is amended by the addition of the following:

**Covered Product**, ~~either in the singular or plural~~, also means the following products offered by a **Product Provider**:

- ~~1.~~ Variable life and variable annuity products products, including but not limited to Variable Annuities, Equity Indexed Annuities and Variable Life Insurance sold or serviced by the **Insured** as a properly licensed **Registered Representative**; or **Registered Investment Advisor or Investment Advisor Representative**; and
- ~~2.~~ Equity Indexed Annuities.
- ~~3.~~ Employee Benefit Plans other than a Multiple Employer Welfare Arrangements (as that term is defined in the Employee Retirement Income Security Act of 1974, as amended), including but

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

~~not limited to Group Plans, Group or Ordinary Pension or Profit Sharing Plans, Keogh Plans, 401(k) or 501(b) Plans, or Retirement Annuities.~~

~~4D.~~ Section III. **DEFINITIONS**, ~~M.N.~~ **Professional Services** is amended by the addition of the following:

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the ~~Named Insured's~~ profession as a properly licensed Registered Representative or Registered Investment Advisor or Investment Advisor Representative, so long as the ~~Insured~~ is properly licensed to render such services on any date on which a **Wrongful Act** involving such services is alleged to have occurred.

~~5E.~~ Section III. **DEFINITIONS** is amended by the addition of the following:

~~P.R.~~ **Registered Representative**, ~~either in the singular or plural~~, means any **Insured** that is:

1. Licensed and, if applicable registered, by the ~~National Association of Securities Dealers Financial Industry Regulatory Authority (FINRA)~~ and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
2. Contracted with or employed by a broker ~~or~~ dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by ~~the National Association of Securities Dealers FINRA~~.

S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission. ~~means an individual or entity which provides services as an investment advisor (as defined in the Investment Advisors Act of 1940, as amended), and is registered with the Securities and Exchange Commission.~~

~~6.~~ ~~Section IV. EXCLUSIONS~~, ~~E.~~ is deleted and replaced by the following:

~~E.~~ ~~Based upon or arising out of:~~

1. ~~Any pension, welfare or benefit plan organized for the benefit of employees of the Named Insured; or~~
2. ~~Any Insured's obligations or services as a fiduciary or trustee under the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Pension Benefits Act, including any rules or regulations promulgated under any of the foregoing, or any similar provisions of any state statutory law or common law;~~

~~7F.~~ Section IV. **EXCLUSIONS**, ~~J.~~ is amended by deleting the words phrase "registered representative, registered investment advisor or investment advisor representative, or".

~~8G.~~ Section IV. **EXCLUSIONS** is amended by the addition of the following:

~~H.I.~~ Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing; ~~or~~
2. The rules or regulations of:

~~b.a~~ Any self-regulating organization, including but not limited to, ~~National Association of Securities Dealers; FINRA or its predecessors~~, or

e.b. Any state insurance or securities department commission or agency;

W.U. Based upon, or arising out of or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**; or

W.V. ~~Based~~ Solely based upon ~~upon or arising out of~~ any fluctuation in the market value of any investment covered by this Policy. ~~securities (as that term is defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto).~~

All other terms and conditions of the Policy remain unchanged.

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**Loss Only Deductible Amendment – 144230 07-04 06 07**  
**Policy Amendment**

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage**

~~Independent Property and Casualty Agents Errors and Omissions Liability Insurance Coverage~~

**THIS CHANGE TO DEDUCTIBLE APPLIES TO THE COVERAGE FORM TO WHICH IT IS ATTACHED AND ANY ENDORSEMENT ALSO ATTACHED**

~~Section V. **LIMIT OF INSURANCE AND DEDUCTIBLE**, C., is deleted in its entirety and replaced with the following:~~

- C. **We shall only be liable to pay Loss in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every Claim. The Deductible does not increase the Limit of Insurance.**

**We agree with you as follows:**

~~**SECTION V – LIMIT OF INSURANCE AND DEDUCTIBLE**, Item **B**, is replaced with the following:~~

~~Before we pay any claim under this policy, we will subtract the Deductible Amount shown in the Declarations as applying to Each Claim from damages that are incurred with respect to a single claim. **We** will only pay the lesser of that part of such damages which exceeds the Deductible Amount, or the Limit of Insurance that applies.~~

~~If we pay part or all of the Deductible Amount to effect settlement of any claim or suit, **we** will notify you of our payment of the Deductible. **You** shall reimburse **us** for the part of the Deductible Amount that **we** paid within 30 days of our notification.~~

~~The terms of this insurance, including those with respect to Condition 4. Of **SECTION I COVERAGE**, paragraph **C. Defense, Investigation and Settlement of a Claim, 5.**, apply irrespective of the application of Deductible Amount.~~

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

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President

144230 ~~7-04~~ 6-07

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**Amended Consent to Settlement Endorsement – 144224 ~~07-04~~ 06-07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage**

~~In consideration of the premium paid it is understood and agreed that~~ Section I. **COVERAGE C. B. Defense, Investigation and Settlement of a Claim**, 1. is deleted in its entirety and replaced with by the following:

- ~~1. With respect to insurance provided by this Policy, **We** have the right and duty to defend **You**, including the right to select counsel. **We** shall have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**.~~

~~If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus:~~

1. With respect to insurance provided by this Policy, **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus:

- a. **Claim Expenses** up to the date **You** refused to settle such **Claim**; and
- b. 50 % of the **Loss** that **You** incur to resolve the **Claim**. 50% of the amount for which **Claim** could have been settled, subject to a maximum of \$100,000.

~~-Subject to a maximum of \$100,000-~~

All other terms and conditions of the Policy remain unchanged. ~~apply.~~

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

---

President

144224 ~~7-04~~ 6-07

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**Additional Product Provider Endorsement – 144219-~~07-04-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

**Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage**

~~Independent Life Agents Errors and Omissions Liability Insurance Coverage~~

**We agree with You as follows:**

Section III. DEFINITIONS, N. M. Product Provider is amended to include the following shown in the Schedule:

Schedule

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

In consideration of the premium paid it is understood and agreed that Section ~~III. DEFINITIONS~~ ~~L.~~ is deleted and replaced by the following:

~~L. — **Product Provider** means any of the following entities, if such entity is not affiliated with any **Insured**:~~

- ~~1. — An insurance company or joint underwriting association;~~
- ~~2. — A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was conducted and at the time such business was conducted;~~
- ~~3. — Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance coverage product;~~
- ~~4. — Self-insured plan or trust;~~
- ~~5. — Group insurance plan or trust; or~~
- ~~6. — Reinsurer or other risk-assuming entity;~~

~~— provided, however, **Product Provider** does not include a risk retention group.~~

All other terms and conditions of the Policy ~~apply~~ remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

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President

144219 ~~7-04-6-07~~

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**Additional Insured ~~Endorsement~~ – Vicarious Liability – 144218 ~~09-05-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life **Insurance** Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & ~~and~~ Casualty **Insurance** Agents Errors and Omissions Liability  
Insurance Coverage

**Schedule**

~~Name of Company~~  
**Name of Individual(s) or Entity(ies)**

**Retroactive Date**

Information required to complete this Schedule, if not shown above, will be shown in the  
Declarations.

~~We agree with You~~ as follows:

Section III, **DEFINITIONS**, ~~F. G. Insured~~, is amended ~~to include~~ by the addition of the following:

3. The individuals or entities shown in the Schedule above are included as additional insureds, but only for liability arising solely from a **Wrongful Act** of another **Insured** in the rendering of, or failure to render, **Professional Services** in connection with a **Covered Product**, if such **Wrongful Act** occurred wholly after the **Retroactive Date**. No coverage is provided for any actual or alleged **Wrongful Act** by said individuals or entities.
5. ~~The company listed in the Schedule above and/or its subsidiaries and affiliates, but only as respects vicarious liability imposed by law for **professional services** performed by you, regardless of whether a claim has been made against you.~~

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

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President

**Additional Insured Endorsement – 144217 ~~09-05-06~~ 07**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage

**Schedule**

<b>Name of Individual <u>(s) Person(s)</u> or <u>Organization(s) Entity(ies)</u></b>	<b><u>Retroactive Date</u></b>
--	--------------------------------

Information required to complete this Schedule, if not shown above, will be shown in the  
Declarations.

~~We agree with You as follows:~~

Section III. – **DEFINITIONS, F. G. Insured** is amended ~~to include~~ by the addition of the following:

~~6.3. ¶The person(s) individuals or entities organization(s) shown listed in the Schedule above, but only as respects to their for liability arising solely from a **Wrongful Act** in the rendering of, or failure to render, for **Professional Services** for or on behalf of a **Named Insured** in connection with a **Covered Product**, if such **Wrongful Act** occurred wholly after the **Retroactive Date**, performed by You.~~

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary

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President

144217 ~~9-05-6-07~~

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**Employment Practices Wrongful Act Endorsement – 144362 ~~09-05-06~~ 07 (re: VA)**  
Policy Amendment

**This endorsement modifies insurance provided under the following:**

Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
Independent Property & ~~and~~ Casualty Insurance Agents Errors and Omissions Liability  
Insurance Coverage

~~In consideration of the premium paid it is understood and agreed that the Policy is amended as follows.~~

**Schedule**

**Employment Practices Wrongful Act Coverage**

Effective Date \_\_\_\_\_ **Retroactive Date:** \_\_\_\_\_

Deductible: \$ \_\_\_\_\_ Each **Claim**

Limit of Insurance \$ \_\_\_\_\_

Information required to complete this Schedule, if not shown above, will be shown in the  
Declarations.

1. ~~Limits of Liability Applicable to **Employment Practices Wrongful Act** Coverage: \$X,XXX,XXX each  
Wrongful Act~~
2. ~~Premium applicable to **Employment Practices Wrongful Act** Coverage  
\$ \_\_\_\_\_~~
3. ~~**Retroactive Date** Applicable to **Employment Practices Wrongful Act** Coverage  
\_\_\_\_\_~~
4. ~~Deductible Applicable to **Employment Practices Wrongful Act** Coverage: \$XXX,XXX per **Claim**~~

The Policy is amended solely with respect to the coverage afforded by this endorsement as follows:

**COVERAGE – Employment Practices Wrongful Act**

A. Section I. **COVERAGE**, A. **Insuring Agreement**, 2. is amended as follows:

2. Prior to the effective date of this policy, but after the **Retroactive Date**, if any, stated in  
the Schedule above, provided that:
  - a. As of the effective date of this policy, the **Insured** does not have actual or  
constructive knowledge of any circumstances or **Wrongful Act** which could  
reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any  
such prior **Wrongful Act**; and

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

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Secretary \_\_\_\_\_ President \_\_\_\_\_

- c. Claim is first made against the Insured, and if applicable, reported to Us during the Policy Period or Extended Reporting Period, if applicable.

~~I. COVERAGE – Employment Practices Wrongful Act~~

~~A.1. Section III. DEFINITIONS, O Wrongful Act is amended by the addition of the following:~~

- ~~3. Any actual or alleged negligent Employment Practices Wrongful Act.~~

B. Section III. DEFINITIONS, A. Claim is amended by the addition of the following:

- 4. A formal civil administrative or arbitration or regulatory proceeding commenced by the filing of a notice of charge, formal investigative order or similar document against the Insured, including an Equal Employment Opportunity Commission ("EEOC") or any similar state, local or foreign agency proceeding or investigation commenced by a notice of charges, service of a complaint or similar document of which notice has been given to the Insured; and is brought by or on behalf of an Employee, a former Employee, or an applicant for employment with the Named Insured, and alleging an Employment Practices Wrongful Act.

C. Section III. DEFINITIONS, I. Loss is amended by the addition of the following limitations:

Loss shall also not include:

- 6. Any obligation to provide any Employee benefits, stock options, perquisites or deferred compensation to a current, former or prospective Employee, or their equivalent;
- 7. Any obligation to provide any severance pay for terminated Employees;
- 8. Amounts allocated for front pay, future pay, or other equivalent economic relief, if the Named Insured had the opportunity pursuant to final adjudication or judgment to reinstate claimant as Employee, but failed to do so; or
- 9. Any liability or costs incurred by the Insured arising out of a request, order, judgment or settlement agreement, including but not limited to any liability or costs incurred by the Insured to modify any building or property to make such building or property more accessible or accommodating to any disabled person.

~~B. Section III. DEFINITIONS, H. Loss is amended by the addition of the following:~~

- ~~7. Any obligation to provide any Employee benefits to a current, former or prospective Employee, or their equivalent;~~
- ~~8. Any obligation to provide any severance pay for terminated Employees; or~~
- ~~9. Amounts allocated for front pay, future pay, or other equivalent economic relief, if the Named Insured had the opportunity pursuant to final adjudication or judgment to reinstate claimant as Employee, but failed to do so.~~

D. Section III. DEFINITIONS, Q. Wrongful Act is amended by the addition of the following:

- 3. Any actual or alleged Employment Practices Wrongful Act.

E. Section III. DEFINITIONS is amended by addition of the following for purposes of the coverage afforded by this endorsement:

1. **Employment Practices Wrongful Act** shall mean any of the following committed by the **Insured**:
  - a. Wrongful dismissal, discharge or termination (either actual or constructive) of employment;
  - b. Wrongful refusal to employ an applicant for employment;
  - c. Wrongful failure to promote an **Employee**;
  - d. Wrongful demotion, evaluation, reassignment or discipline of an **Employee**;
  - e. Harassment, including sexual harassment and workplace harassment, but only when such harassment is done by one **Employee** or applicant for employment against another **Employee** or applicant for employment;
  - f. Violation of any employment discrimination law;
  - g. Employment related retaliation;
  - h. Employment related libel, slander, defamation or invasion of privacy; or
  - i. Employment-related infliction of emotional distress.
2. **Employee** shall mean a person employed by the **Named Insured** for wages. **Employee** includes a leased employee and temporary worker but does not include an independent contractor, or any **Employee** or leased employee or temporary worker of an independent contractor.

~~II. Additional Section III. **DEFINITIONS**, for the purposes of this endorsement:~~

~~A. **Employment Practices Wrongful Act** shall mean any of the following committed by the **Named Insured**:~~

- ~~1. Wrongful termination of the employment relationship between the **Named Insured** and an **Employee**;~~
- ~~2. Wrongful refusal to employ an applicant for employment;~~
- ~~3. Wrongful failure to promote an **Employee**;~~
- ~~4. Wrongful demotion, evaluation, reassignment or discipline of your **Employee**;~~
- ~~5. Harassment, coercion, humiliation or discrimination as a consequence of an **Employee's** race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, mental impairment, pregnancy, sexual orientation or preference, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.~~

~~B. **Employee** shall mean a person employed by the **Named Insured** for wages or salary. **Employee** includes a **Leased Worker** but does not include:~~

1. ~~An independent contractor, or any **Employee** or **Temporary Worker** of an independent contractor; or~~

2. ~~Any **Temporary Worker**.~~

~~C. **Endorsement Period** for the purposes of this Endorsement shall mean the period of time commencing with the Effective Date as stated in the Schedule above and continuing until the **Endorsement Termination Date**.~~

~~D. **Endorsement Termination Date** shall mean the earliest of:~~

~~1. the effective date of deletion of this Endorsement; or~~

~~2. the date of cancellation of this Policy; or~~

~~3. the date of non-renewal of this Policy.~~

~~E. **Leased Worker** shall mean a person leased to **You** by a labor leasing firm under an agreement between **You** and the labor leasing firm, to perform duties related to the conduct of **Your** business. **Leased Worker** does not include a **Temporary Worker**.~~

~~F. **Retroactive Date**, shall include the following addition:~~

~~The date shown in the Schedule above applicable to **Employment Practices Wrongful Acts**.~~

~~G. **Temporary Worker** shall mean a person who is furnished to **You** to substitute for a permanent **Employee** on leave or to meet seasonal or short-term workload conditions.~~

F. Limit of Insurance And Deductible:

~~III. **LIMIT OF LIABILITY**~~

1. The Deductible applicable to **Claim Expenses** and **Loss** each **Claim** within the coverage afforded by this endorsement is shown in the Schedule above. An Aggregate Deductible limit does not apply to this coverage.

2. The Limit indicated shown in the Schedule above is **Our** maximum liability for all **Loss** resulting from any one **Claim** within the coverage afforded by this endorsement and also is **Our** maximum liability for all **Claims** made during the this Policy Period within the coverage afforded by this endorsement, and such Limits are part of and not in addition to, **Our** aggregate Limit of Insurance for all **Claims** made during the this Policy Period shown in the Declarations.

G. Section IV. **EXCLUSIONS** is amended by the addition of the following for purposes of the coverage afforded by this endorsement:

1. Based upon or arising from, or in any way involving breach of any agreement, whether written or oral, to limit grounds for termination of employment to specific causes;

2. Based upon or arising from or in any way involving breach of any express contract, whether written or oral, to pay any set wages or benefits, overtime, bonuses, commissions severance payments or any similar payments, or to provide or continue benefits of any kind;

3. Based upon or arising out of or in any way involving any violation of:

- a. The Employee Retirement Income Security Act of 1974 (ERISA),
  - b. The Consolidated Omnibus Budget Reconciliation Act (COBRA),
  - c. The Worker Adjustment and Retraining Notification Act (WARN),
  - d. The Occupational Safety and Health Act (OSHA),
  - e. The National Labor Relations Act of 1938 (NLRA),
  - f. The Labor-Management Relations Act of 1947 (LMRA),
  - g. The Racketeer Influenced Corruption Act (RICO),
  - h. The Fair Labor Standards Act (FLSA) or any state or local wage and hour or minimum wage law or ordinance, but not including the Equal Pay Act,
  - i. Any workers' compensation, disability benefits or unemployment compensation laws, or
  - j. Any amendments to any such laws, any similar federal, state or local laws, or any regulations promulgated under any such laws;
4. Based upon, arising from, or in any way related to any criminal proceeding;
  5. Based on or arising out of, or in any way related to any compliance with ADA Requirements and any costs, expense or damages incurred or assessed to make premises accessible to persons with disabilities as required by:
    - a. The Americans with Disabilities Act of 1990,
    - b. Any similar federal, state or local law, or
    - c. Any regulations promulgated under any such laws; or
  6. Based upon or arising out of, or in any way related to any strikes, lockouts, picket lines, temporary or permanent **Employee** replacement, or other similar actions resulting from labor disputes or labor negotiations, or any labor or grievance arbitration pursuant to a collective bargaining agreement.
- ~~D. If this endorsement is not attached to the Policy at inception, the date set forth in the Schedule above shall be the effective date of this Endorsement and, solely with respect to any **Claim** for an **Employment Practices Wrongful Act**, such date shall also be the **Retroactive Date**.~~

~~IV.. Section IV. **EXCLUSIONS**, is amended by the addition of the following:~~

~~Breach of any agreement, whether written or oral, to limit grounds for termination of employment to specific causes, or~~

~~Breach of any express contract, whether written or oral, to pay any set wages or benefits, overtime, bonuses, commissions severance payments or any similar payments, or to provide or continue benefits of any kind;~~

~~A. Based upon or arising out of any termination or Breach of Express Contract of employment, whether written or oral, or the breach of an express obligation to make payments in event of the termination of employment.~~

~~B. Based on or arising out of any obligation or liability imposed on the **Named Insured** under:~~

~~1. ERISA – the Employee Retirement Income Security Act of 1974;~~

~~2. COBRA – the Consolidated Omnibus Budget Reconciliation Act;~~

~~3. WARN – the Worker Adjustment and Retraining Notification Act;~~

~~4. OSHA – the Occupational Safety and Health Act of 1970;~~

~~5. NLRA – the National Labor Relations Act of 1938;~~

~~6. LMRA – the Labor-Management Relations Act of 1947;~~

~~7. RICO – the Racketeer Influenced Corruption Act;~~

~~8. Any amendments to such laws, any similar federal, state or local laws, or any regulations promulgated under any such laws; or~~

~~9. Any criminal proceeding;~~

~~C. Based on or arising out of any compliance with ADA Requirements and any costs, expense or damages incurred or assessed to make premises accessible to persons with disabilities as required by:~~

~~1. The Americans with Disabilities Act of 1990;~~

~~2. Any similar federal, state or local law;~~

~~3. Any amendments to such laws; or~~

~~4. Any regulations promulgated under any such laws; or~~

~~D. Based upon or arising out of any strikes, lockouts, picket lines, temporary or permanent **Employee** replacement, or other similar actions resulting from labor disputes or labor negotiations.~~

All other terms and conditions of the Policy remain unchanged.

## Fireman's Fund Insurance Companies

### Third Party Liability Endorsement for Employment Practice Liability Coverage as part of the Insurance Agents Professional Liability

#### Competitive Rate Comparison

<b>Darwin National Assurance Company:</b>	September 2005		
	Range of Factor		
Third Party Liability Exposure			
Moderate	10% - 50%		of the Fully Rating EPL Premium
<b>ACE American Insurance Company</b>	June 2006		
<b>Westchester Fire Insurance Company:</b>	Range of Factor		
Third Party Liability Exposure	0% - 10%		of the Fully Rating EPL Premium
<b>Carolina Casualty Insurance Company:</b>	July 2006		
	Range of Factor		
Third Party Liability Exposure	0% - 100%		of the Fully Rating EPL Premium

<b>Fireman's Fund Insurance Companies:</b>			
	Range of Factor		
Third Party Liability Exposure	10% - 50%		of the Fully Rating EPL Premium assuming selected EPL Policy Limits and Deductibles

SERFF Tracking Number: FFDC-125413966 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$75  
 Company Tracking Number: NARPL0207-F  
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability  
 Product Name: Professional Liability for Insurance Agents Errors & Omissions Revision  
 Project Name/Number: Professional Liability for Insurance Agents Errors & Omissions Revision/NWPL0207

## Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage	01/04/2008	144212 06 07.pdf
No original date	Form	Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance	01/04/2008	144213 06 07.pdf
No original date	Form	AR Changes	01/04/2008	144497 AR Changes.pdf

**Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage  
144212 06 07**

**Notice – This is a Claims Made and Reported Policy.**

THIS MEANS THAT COVERAGE APPLIES ONLY TO A **CLAIM** FIRST MADE AGAINST THE **INSURED** AND REPORTED DURING THE **POLICY PERIOD** OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.

Read this entire Policy carefully to determine **Your** rights and duties, **Our** rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.

Throughout this Policy the words **You** and **Your** refer to the **Insured**. The words **We**, **Us** and **Our** refer to the Company providing this insurance.

Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.

In consideration of the payment of the premium, **Your** promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information **You** furnished to **Us**, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, **We** and **You** agree as follows:

**I. COVERAGE**

**A. Insuring Agreement**

**We** will pay on the **Insured's** behalf all **Loss** which the **Insured** is legally obligated to pay due to a **Wrongful Act** in the rendering of or failure to render **Professional Services** in connection with a **Covered Product**.

This coverage applies to **Wrongful Acts** taking place:

1. During the **Policy Period**, but then only if **Claim** is first made against the **Insured** and reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable, in accordance with Section VI. Conditions D.; or
2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Declarations, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured** and reported to **Us** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**B. Defense, Investigation and Settlement of a Claim**

1. **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus **Claim Expenses** up to the date **You** refused to settle such **Claim**;
2. **We** will have the right, but not the duty, to appeal any judgment; and
3. For any **Claim** to which this Policy applies:
  - a. In addition to the Limit of Insurance, **We** shall pay all **Claim Expenses** that **We** incur in any such **Claim**;
  - b. **Our** right and duty to defend the **Insured** and to pay **Claim Expenses** ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;
  - c. The **Insured** may not incur any **Claim Expenses** or admit liability for, make payment for, or settle any **Claim** without **Our** prior written consent, which shall not be unreasonably withheld. **We** shall not be liable for any expense, settlement, assumed obligation or admission to which **We** have not consented; and
  - d. The **Insured** agrees to cooperate with **Us** in the defense, investigation, and settlement of any **Claim** and agrees, as a condition of coverage under this Policy, to submit to **Us** upon request such information and documentation as **We** may require in the investigation and defense of any **Claim**.

**C. Extensions**

**1. Estates and Legal Representatives**

This Policy shall afford coverage for a **Claim** for the **Wrongful Act** of an individual **Insured** made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such **Claim** would have been covered by this Policy.

**2. Spousal Liability**

If a **Claim** against an individual **Insured** includes a **Claim** against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Insured** and the spouse, or property transferred from the **Insured** to the spouse, all **Loss** which such spouse becomes legally obligated to pay by reason of such **Claim** shall be treated for purposes of this Policy as **Loss** which that **Insured** becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal

**Loss.** This coverage extension shall not apply to any act, error, omission, or **Personal and Advertising Injury** committed by the **Insured's** spouse.

D. **Supplemental Payments**

In addition to the Limit of Insurance, **We** shall pay:

1. Any premium for appeal bonds for the covered part of the judgment; provided, however, that **We** have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;
2. Post judgment interest;
3. Prejudgment interest awarded against the **Insured** on that part of the judgment **We** pay. If **We** make an offer to pay the applicable Limit of Insurance, **We** will not pay any prejudgment interest based on that period of time after the offer;
4. All costs awarded against the **Insured** in a **Suit**, but this does not include attorneys' fees awarded to the person or entity bringing the **Claim** or **Suit**;
5. All reasonable expenses incurred by the **Insured** at **Our** request to assist **Us** in the investigation or defense of any **Claim** or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day; and
6. The reasonable attorneys' fees, costs and expenses incurred in responding to an investigation of an **Insured** by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate **Professional Services**, resulting from the **Insured's** performance of **Professional Services**. The maximum **We** will pay for all **Insureds** regardless of the number of investigations is \$35,000 per **Policy Period**. However:
  - a. **We** have the right to select legal counsel; and
  - b. The **Insured** must be first notified of the investigation during the **Policy Period** and must provide **Us** with written notice not later than thirty (30) days after the **Insured** has been notified of the investigation;

provided, however, **We** have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of **Loss**.

II. **TERRITORY**

This insurance applies to **Wrongful Acts** committed by an **Insured** anywhere in the world, provided the **Suit** is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.

III. **DEFINITIONS**

A. **Claim**, either in the singular or plural, means:

1. Any written demand the **Insured** receives for compensatory damages for a **Wrongful Act**, including but not limited to, the institution of arbitration proceedings against the **Insured**;

2. Any **Suit** seeking compensatory damages against the **Insured** for a **Wrongful Act**, commenced by the service of a complaint or similar pleading; or
  3. Any subpoena or deposition notice received by the **Insured** arising out of **Professional Services** rendered by the **Insured**.
- B. **Claim Expenses** means reasonable fees and costs incurred in the defense, investigation or appeal of a **Claim** incurred by any attorney **We** retain or any attorney the **Insured** retains with **Our** written consent. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of the **Insured** that are associated with the defense and investigation of a **Claim** except as provided in Supplemental Payments, Section I. D. above.
- C. **Client** means any entity or individual for whom the **Insured** has agreed to render **Professional Services**, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.
- D. **Covered Product**, either in the singular or plural, means the following products offered by a **Product Provider**:
1. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);
  2. Long Term Care Insurance;
  3.
    - a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and
    - b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans;
  4. Variable life and variable annuity products sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**;
  5. Equity Indexed Annuities; and
  6. Mutual Funds, whether or not offered by a **Product Provider**, which are registered with the Securities Exchange Commission and sold or serviced by the **Insured** as a properly licensed **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative**.
- Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).
- E. **Employee Benefit Plan Administration** means:
1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;

2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or
3. Receipt or transmission of claims and verification of plan participation.

However, **Employee Benefit Plan Administration** does not include the approval or denial of coverage or claims or payment of claims.

F. **First Named Insured** means the first person or entity shown in the Declarations.

G. **Insured** means:

1. The **Named Insured**;
2. Solely while performing **Professional Services** for or on behalf of the **Named Insured**:
  - a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any **Named Insured**;
  - b. Any individual, who was, is, or shall be a leased or loaned worker to the **Named Insured**; or
  - c. An individual while acting as an independent, provided there exists an exclusive written agreement with the **Named Insured** which is in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the Declarations.

H. **Interrelated Wrongful Acts** means **Wrongful Acts** that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements, or decisions, whether such **Wrongful Acts** involve just the **Insured** or others for whose acts the **Insured** may be legally responsible, or the same or different claimants.

I. **Loss** means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an **Insured**, but only to the extent such punitive or exemplary damages are insurable under applicable law. **Loss** shall not include:

1. Civil or criminal fines or penalties, or taxes;
2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;
3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or
4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.

J. **Named Insured** means:

1. Any individual or entity shown as a **Named Insured** in the Declarations or by endorsement;
2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the **Named Insured**; and
3. If during the **Policy Period** the **Named Insured**:
  - a. Acquires:
    - i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or
    - ii. Any entity by merger into or consolidation with the **Named Insured**; or
  - b. Forms another entity;

then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any **Claim** involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the **Policy Period**, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the Automatic Coverage Period), but only with respect to **Wrongful Acts** taking place after such acquisition, merger, consolidation or formation.

The **First Named Insured**, as a condition precedent to acquiring further coverage after such Automatic Coverage Period with respect to any **Claim** involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to **Us** as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to **Us** such information as **We** may request.

Upon receipt of such notice and other information, **We** may, at **Our** option, provide to the **First Named Insured** a quotation for coverage under this Policy with respect to any **Claim** involving such entity after such Automatic Coverage Period for the remainder of the **Policy Period**. If the **First Named Insured** fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the **First Named Insured** fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the Automatic Coverage Period.

K. **Personal and Advertising Injury** means:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;

4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual's or entity's goods, products or services;
  5. Oral or written publication of material that violates an individual's right of privacy; misappropriation of advertising ideas; or
  6. Infringement of copyright, trade name, trade dress or service mark.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Product Provider** means any of the following entities, if such entity is not partly or wholly owned by any **Insured**:
1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;
  2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or
  3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.
- N. **Professional Services** means the following services rendered in connection with a **Covered Product** by the **Insured** to a **Client** in the conduct of the **Named Insured's** profession as a Life or Accident and Health Insurance Agent, Broker, General Agent, Brokerage General Agent, or a Notary Public:
1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a **Covered Product**; but not including the sale, surrender, conversion or any alteration of a **Covered Product**, in order to acquire or invest in anything other than a **Covered Product**;
  2. Providing advice or consultation solely related to a **Covered Product**, including financial planning or consulting solely related to a **Covered Product**, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  3. Assisting a **Client** to secure premium financing from a licensed premium finance company for a **Covered Product** placed by or on behalf of the **Insured**;
  4. Training, managing and supervising others, but only in connection with **Covered Products**;
  5. **Employee Benefit Plan Administration**;
  6. Expert witness testimony related to **Professional Services** or a **Covered Product**; or
  7. Insurance class instruction.

**Professional Services** also means those services rendered in connection with a **Covered Product** by an **Insured** to a **Client** in the conduct of the **Insured's** profession as a properly licensed **Registered Representative** or **Registered Investment Advisor** or **Investment Advisor Representative**.

However, **Professional Services** shall not include:-

- a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:
  - i. Any Multiple Employer Welfare Arrangement;
  - ii. Any health maintenance organization or preferred provider organization;
  - iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or
  - iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;
- b. Any services performed by any **Insured** as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;
- c. Any services which the **Insured** is not licensed to render on any date on which a **Wrongful Act** involving such services is alleged to have occurred, provided that lack of license is due to the **Insured's** deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the **Insured's** knowledge and consent; or
- d. Any commingling, misappropriation or conversion of **Client's** funds.

O. **Retroactive Date** means:

1. The date shown under **Retroactive Date** in the Declarations. If "none" is entered, full prior **Wrongful Acts** coverage is provided, subject to all other terms and conditions of this Policy; and
2. The **Retroactive Date** is the earliest date on which a **Wrongful Act** took place for which coverage could exist for a **Claim** made under this Policy. **Wrongful Acts** which occur in whole or part prior to this date are not covered, even if a **Claim** is made under this Policy and reported to **Us** during the **Policy Period** or Extended Reporting Period.

P. **Suit** means:

A civil proceeding seeking compensatory monetary damages. **Suit** includes:

1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the **Insured** is legally required to submit to arbitration, or does so with **Our** consent; or
2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the **Insured** submits with **Our** consent.

- Q. **Wrongful Act**, either in singular or plural, means:
1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the **Insured** in the rendering of or failure to render **Professional Services**; or
  2. Any actual or alleged negligent **Personal and Advertising Injury** arising out of the **Insured's** rendering of or failure to render **Professional Services**.
- R. **Registered Representative**, means any **Insured** that is:
1. Licensed and, if applicable registered, by the Financial Industry Regulatory Authority (FINRA) and any other applicable federal, state or local governmental or non-governmental regulatory entity charged with regulating the solicitation and sale of securities; and
  2. Contracted with or employed by a broker dealer (as defined in the Securities Exchange Act of 1934, as amended) that is licensed by FINRA.
- S. **Registered Investment Advisor or Investment Advisor Representative** means a properly licensed or registered individual or entity who or which provides services as an Investment Advisor (as defined in the Investment Advisors Act of 1940, as amended, or any similar state or local law or statute), and, if required to do so, is registered with the Securities Exchange Commission.

#### IV. EXCLUSIONS

**We** shall not be liable to make any payment in connection with any **Claim**:

- A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the **Insured** or any **Loss** expected or intended by the **Insured**, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such **Insured** establishing that such **Insured** committed such conduct and applies only to the **Insured** who participated in, acted with knowledge of, or acquiesced to such conduct;
- B. Based upon or arising out of the **Insured** gaining in fact any personal profit or advantage to which such **Insured** was not legally entitled;
- C. Based upon, arising out of, or in any way involving any actual or alleged:
1. Bodily injury, including sickness, injury, disease or death of any person, provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the **Insured's** rendering of or failure to render **Professional Services**, or
  2. Damage to or destruction of any property, including loss of use thereof;
- D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the **Insured**;
- E. Based upon, arising out of, or in any way involving:

1. Any pension, welfare or benefit plan organized for the benefit of employees of any **Insured**, or
  2. Any **Insured's** obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any **Insured** under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;
- F. Based upon, arising out of, or in any way involving any **Insured's** actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. **Professional Services**;
- G. Based upon, arising out of, or in any way involving any sums the **Insured** is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:
1. That the **Insured** would have in the absence of the contract or agreement, or
  2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged **Wrongful Act** for which the **Claim** in question is made, and provided that the coverage for the **Claim** otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the **Insured** are deemed to be **Loss** (and not **Claim Expenses**), provided:
    - a. Liability to such party for, or for the cost of, that party's defense has also been assumed under the written contract or agreement in question, and
    - b. Such attorney fees and litigation expenses are for defense of that party against a **Claim** or **Suit** seeking **Loss** to which this insurance applies;
- H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any **Covered Products**, or as to non-guaranteed interest rates or future premium payments;
- I. Based upon, arising out of, or in any way involving any **Insured's** actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;
- J. Based upon, arising out of, or in any way involving any services performed by the **Insured** whether or not the Insured is licensed as such, as:
1. A tax preparer or advisor (except for tax advice provided directly concerning a **Covered Product**), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,
  2. A financial planner, except as to services directly related to a **Covered Product**, or

3. A securities broker dealer;
- K. Based upon, arising out of, or in any way involving any **Claim** or dispute between **Insureds** or with another insurance agent or broker, or **Registered Representative** or **Registered Investment Advisor or Investment Advisor Representative** including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the **Wrongful Act** arises out of **Professional Services** by an **Insured** rendered to such other **Insured**, agent or broker as a **Client**, provided the **Insured** rendering such **Professional Service** does not have any legal or equity interest in the subject of the insurance or investment procured for the **Client**;
  - L. Based upon, arising out of, or in any way involving the **Insured's** unauthorized use or release of any confidential or private information pertaining to any **Client**, any director, manager, partner, member, officer or employee of any **Client** or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the **Insured** seeking coverage;
  - M. Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a **Product Provider**, regardless of when the financial impairment of such entity began and whether or not any **Insured** was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the **Product Provider** was:
    1. An admitted insurance company rated B+ or better by A.M. Best Company,
    2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the **Covered Product** was sold, placed or obtained, or
    3. The **Product Provider** was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;
  - N. Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any **Client's** insurance, coverage, funds, premium, or product with or in any **Product Provider**, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was transacted;
  - O. Based upon, arising out of, or in any way involving any:
    1. Promissory notes,
    2. Viatical or life settlements as investments, or viatical investment pools, or
    3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or
    4. Commodities, futures contracts, or option contracts;
  - P. Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement; provided, however, this exclusion shall not apply to a **Claim** solely

based upon or arising out of the selling or servicing of a **Covered Product** utilized to fund a structured settlement;

Q. Based upon or arising out of:

1. Any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and
2. Any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** which has been the subject of the notice outlined in Q.1., above, would constitute **Interrelated Wrongful Acts**; -

R. For **Personal and Advertising Injury** based upon or arising out of:

1. The oral or written publication of material, if done by or at the direction of the **Insured** with knowledge of its falsity, or
2. The oral or written publication of material whose first publication took place before the **Retroactive Date**;

S. Solely for any actual or alleged violation of:

1. The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940 or any state securities or Blue Sky statutes, including any rules or regulations promulgated under any of the foregoing, or
2. The rules or regulations of:
  - a. Any self-regulating organization, including but not limited to, FINRA or its predecessors, or
  - b. Any state insurance or securities department, commission or agency except as provided in Supplemental Payments I.D.6.;

T. Based upon, or arising out of, or in any way involving any **Insured's** activities in exercising discretionary authority or control with regard to the management or disposition of assets (whether for individuals, groups, plans or other entities); provided, however, this exclusion shall not apply to any **Insured** providing an asset allocation service with respect to any **Covered Products** pursuant to a written asset allocation plan executed by the **Client**;

U. Solely based upon any fluctuation in the market value of any investment covered by this Policy; or

V. Based upon, arising out of, or in any way involving any actual or alleged violation of :

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law,

- c. Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.

V. **LIMIT OF INSURANCE AND DEDUCTIBLE**

- A. The Limit of Insurance shown in the Declarations as applicable to each **Claim** is **Our** maximum liability for **Loss** resulting from any one **Claim**. Without regard to the number of **Claims** or **Insureds** against whom a **Claim** has been made, all **Loss** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** will be subject to the each **Claim** limit of liability in effect the first **Claim** arising out of the **Wrongful Act** or **Interrelated Wrongful Acts** was made.
- B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is **Our** maximum liability for all **Loss** resulting from all **Claims** made during the **Policy Period**.
- C. **We** shall only be liable to pay **Loss** and **Claim Expenses** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.
- D. If **We** pay all or part of any Deductible amount, **We** will notify the **Named Insured** of **Our** payment of the Deductible, and request reimbursement. The **Named Insured** will pay **Us** for the part of the Deductible **We** paid within thirty (30) days of **Our** request.
- E. The Deductible may only be satisfied by an actual cash payment by the **Named Insured** and may not be satisfied by the release of a claim or counterclaim.

VI. **CONDITIONS**

A. **Entire Agreement**

It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between **You** and **Us**.

B. **Extended Reporting Period**

- 1. **We** will provide an Extended Reporting Period as described below if this Policy is cancelled or non-renewed for any reason other than non-payment of premium, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.
- 2. Extended Reporting Periods do not extend the **Policy Period** or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.
- 3. Extended Reporting Periods do not apply to **Claims** that are covered under any subsequent insurance **You** purchase or that would be covered but for exhaustion of the amount of insurance applicable to such **Claims**.
- 4. All **Claims** under Extended Reporting Periods must be reported to **Us** in accordance with Conditions VI. D.

5. Basic Extended Reporting Period

- a. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts at the date of Policy termination or the end of the **Policy Period**, whichever is earlier, and lasts for sixty (60) days.
- b. **Claims** made against the **Insured** within sixty (60) days after Policy termination or the end of the **Policy Period**, whichever is earlier, and which arise out of a **Wrongful Act** that was committed during the **Policy Period** but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

6. Supplemental Extended Reporting Period

- a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. **You** must give **Us** a written request for the endorsement within sixty (60) days after the end of the **Policy Period**, or Policy termination date, whichever is earlier. The Supplemental Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.
- b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. **Claims** made against the **Insured** within the term of the Supplemental Extended Reporting Period which arise out of a **Wrongful Act** that was committed during the **Policy Period**, but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.
- d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:

Term (Years)	Rate (% of Expiring Annual Premium)
1	100%
2	150%
3	200%
4	250%
5	300%
10	500%

- e. If the **Named Insured** fails to notify **Us** of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.

C. **Liberalization**

If **We** adopt a change in **Our** forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in **Your** headquarters state.

D. **Reporting of Potential Claims or Actual Claims**

1. Reporting of Potential Claims

If during the **Policy Period**, **You** first become aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim**, and during the **Policy Period** give written notice to **Us** of such **Wrongful Act** as required below, then any **Claim** subsequently made against **You** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period**.

Written report of a potential **Claim** must include:

- a. The specific facts and circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** and **Clients** involved;
- b. The date and circumstances by which **You** became aware of such **Wrongful Act**; and
- c. The **Loss** that may reasonably result.

2. Reporting of Actual Claims

**You** shall provide notice to **Us** as soon as practicable after a **Claim** is first made against **You**. This notice shall be deemed sent to **Us** only if it is received by **Us** via facsimile or electronic mail or sent by **You** by prepaid registered or return-receipt-requested mail properly addressed to **Us** at the address shown in or attached to this Policy.

Notwithstanding the requirement that the **Claim** must be first made and reported to **Us** during the **Policy Period**, if continuous coverage is in effect pursuant to consecutive policies issued by **Us**, a **Claim** may be first made against the **Insured** during one **Policy Period** and may be reported to **Us** in writing during the consecutive, immediately following **Policy Period** without constituting a violation of this provision, so long as the notice was provided as soon as practicable and without prejudice to **Us**.

E. **Legal Action Against Us**

No person or organization has a right under this Policy:

1. To join **Us** as a party or otherwise bring **Us** into a **Suit** asking for damages from an **Insured**; or
2. To sue **Us** on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an **Insured**; but **We** will not be liable for damages that are not payable

under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by **Us**, the **Insured** and the claimant or the claimant's legal representative.

**F. Subrogation and Assignment**

1. If the **Insured** has rights to recover all or part of any payment **We** have made under this Policy, those rights are transferred to **Us**. The **Insured** must do nothing to impair them. At **Our** request, the **Insured** will bring **Suit** or transfer those rights to **Us** and help **Us** enforce them.
2. **You** may not assign any interest in this Policy unless **We** give **Our** prior written consent.

**G. Changes**

The terms of this Policy shall not be waived or changed, except by endorsement issued by **Us** to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop **Us** from asserting **Our** rights under the terms of this Policy.

**H. Authorization Clause/Notices**

By acceptance of this Policy by payment of premium, **You** agree that the **First Named Insured** shall act on **Your** behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.

**I. Other Insurance**

1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the **Insured** and shall not contribute with other such insurance. If the **Insured** has other insurance for the **Loss** covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.

This provision will not apply if the **Insured** has similar coverage with **Us**, or one of **Our** affiliates. In this event, the **Insured** must elect under which policy the **Claim** will be made.

2. The **Insured** shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:
  - a. Receipt of a **Claim**;
  - b. Obtaining information regarding a potential **Claim**; or
  - c. **We** request such notice be given.

J. **Conformance With State Statutes**

Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to **You** are hereby amended to conform to such statutes.

K. **Cancellation and Nonrenewal**

1. **Cancellation**

- a. The **First Named Insured** may cancel this Policy by mailing or delivering to **Us** advance written notice of cancellation. The **Policy Period** will end on the effective date requested.
- b. **We** may cancel this Policy only in the event of non-payment of premium, and if **We** cancel for non-payment of premium, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.
- c. Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on the date of cancellation.
- d. If this Policy is cancelled, **We** will send the **First Named Insured** any premium refund due. If **We** cancel, the refund will be the pro rata unearned premium. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **We** have not made or offered a refund.
- e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

2. **Non-renewal by Us**

- a. **We** are not required to renew this Policy when it expires.
- b. If **We** elect not to renew this Policy, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.
- c. Notice of non-renewal will state the effective date of non-renewal. The **Policy Period** will end on the date of non-renewal.
- d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

L. **Bankruptcy**

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve **Us** of **Our** obligations under this Policy.

M. **Notification of Change of Control of Named Insured**

If during the **Policy Period** there is an acquisition of the **Named Insured**, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the **Named Insured** with another entity such that the **Named Insured** is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a **Wrongful Act** occurring prior to the acquisition, merger, consolidation, or change in control.

The **Named Insured** shall give **Us** written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information **We** may require.

The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Named Insured**, or the **Named Insured** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.

This Policy is not valid unless a Declarations page is signed by **Our** authorized representative.

IN WITNESS WHEREOF, **We** have caused the signatures of **Our** executive officers to be affixed hereto, and have caused this Policy to be countersigned by **Our** authorized representative.

**Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance  
Coverage – 144213 06 07**

**Notice – This is a Claims Made Policy.**

THIS MEANS THAT COVERAGE APPLIES ONLY TO A **CLAIM** FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** OR, IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD.

Read this entire Policy carefully to determine **Your** rights and duties, **Our** rights and duties and what is and is not covered. Various provisions in this Policy restrict coverage.

Throughout this Policy the words **You** and **Your** refer to the **Insured**. The words **We**, **Us** and **Our** refer to the Company providing this insurance.

Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. Definitions.

In consideration of the payment of the premium, **Your** promise to pay the Deductible shown in the Declarations, and in reliance on all statements made and information **You** furnished to **Us**, including the representations made in the Application, and subject to the Limit of Insurance stated in the Declarations, and all of the terms and conditions of this Policy, **We** and **You** agree as follows:

**I. COVERAGE**

**A. Insuring Agreement**

**We** will pay on the **Insured's** behalf all **Loss** which the **Insured** is legally obligated to pay due to a **Wrongful Act** in the rendering of or failure to render **Professional Services** in connection with a **Covered Product**.

This coverage applies to **Wrongful Acts** taking place:

1. During the **Policy Period**, but then only if **Claim** is first made against the **Insured** during the **Policy Period** or Extended Reporting Period, if applicable; or
2. Prior to the effective date of this Policy, but after the **Retroactive Date**, if any, stated in the Declarations, provided that:
  - a. As of the effective date of this Policy, the **Insured** does not have actual or constructive knowledge of any circumstances or **Wrongful Act** which could reasonably be expected to result in a **Claim**;
  - b. There is no other valid and collectible insurance available to the **Insured** for any such prior **Wrongful Act**; and
  - c. **Claim** is first made against the **Insured** during the **Policy Period** or Extended Reporting Period, if applicable.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**B. Defense, Investigation and Settlement of a Claim**

1. **We** have the right and duty to defend the **Insured**, including the right to select counsel, against any **Suit** brought against the **Insured** for which coverage under this Policy applies. However, **We** will have no duty to defend the **Insured** against any **Suit** for which there is no coverage under this Policy. **We** have the right to conduct any investigation or negotiation and, with **Your** consent, make any settlement of any **Claim**. If **You** refuse to consent to any settlement acceptable to the claimant that **We** recommend, then, subject to the Limit of Insurance shown in the Declarations, **Our** liability for such **Claim** will not exceed the amount for which such **Claim** could have been settled plus **Claim Expenses** up to the date **You** refused to settle such **Claim**;
2. **We** will have the right, but not the duty, to appeal any judgment; and
3. For any **Claim** to which this Policy applies:
  - a. In addition to the Limit of Insurance, **We** shall pay all **Claim Expenses** that **We** incur in any such **Claim**;
  - b. **Our** right and duty to defend the **Insured** and to pay **Claim Expenses** ends when the Limit of Insurance set forth in the Declarations is exhausted by payment of judgments or settlements;
  - c. The **Insured** may not incur any **Claim Expenses** or admit liability for, make payment for, or settle any **Claim** without **Our** prior written consent, which shall not be unreasonably withheld. **We** shall not be liable for any expense, settlement, assumed obligation or admission to which **We** have not consented; and
  - d. The **Insured** agrees to cooperate with **Us** in the defense, investigation, and settlement of any **Claim** and agrees, as a condition of coverage under this Policy, to submit to **Us** upon request such information and documentation as **We** may require in the investigation and defense of any **Claim**.

**C. Extensions**

**1. Estates and Legal Representatives**

This Policy shall afford coverage for a **Claim** for the **Wrongful Act** of an individual **Insured** made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such **Claim** would have been covered by this Policy.

**2. Spousal Liability**

If a **Claim** against an individual **Insured** includes a **Claim** against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Insured** and the spouse, or property transferred from the **Insured** to the spouse, all **Loss** which such spouse becomes legally obligated to pay by reason of such **Claim** shall be treated for purposes of this Policy as **Loss** which that **Insured** becomes legally obligated to pay. All terms and conditions of this Policy without limitation, including the Deductible, shall apply to such spousal **Loss**.

This coverage extension shall not apply to any act, error, omission, or **Personal and Advertising Injury** committed by the **Insured's** spouse.

D. **Supplemental Payments**

In addition to the Limit of Insurance, **We** shall pay:

1. Any premium for appeal bonds for the covered part of the judgment; provided, however, that **We** have no obligation to apply for, furnish, or have any court approve such bonds, or provide any collateral for such bonds;
2. Post judgment interest;
3. Prejudgment interest awarded against the **Insured** on that part of the judgment **We** pay. If **We** make an offer to pay the applicable Limit of Insurance, **We** will not pay any prejudgment interest based on that period of time after the offer;
4. All costs awarded against the **Insured** in a **Suit**, but this does not include attorneys' fees awarded to the person or entity bringing the **Claim** or **Suit**;
5. All reasonable expenses incurred by the **Insured** at **Our** request to assist **Us** in the investigation or defense of any **Claim** or regulatory hearing covered under 6. immediately below, including actual loss of earnings because of time off work, up to \$500 per day;
6. The reasonable attorneys' fees, costs and expenses incurred in responding to an investigation of an **Insured** by a state licensing board, professional regulatory agency, or a governmental agency with authority to regulate **Professional Services**, resulting from the **Insured's** performance of **Professional Services**. The maximum **We** will pay for all **Insureds** regardless of the number of investigations is \$35,000 per **Policy Period**. However:
  - a. **We** have the right to select legal counsel; and
  - b. The **Insured** must be first notified of the investigation during the **Policy Period** and must provide **Us** with written notice not later than thirty (30) days after the **Insured** has been notified of the investigation; and
7. For catastrophes which have occurred during the **Policy Period** and have been designated as a catastrophe by Insurance Services Office, Inc., up to \$10,000 per catastrophe subject to a per **Policy Period** Aggregate of \$30,000 for the actual reasonable extra expenses incurred by all **Named Insureds** for assisting in the insurance claims processing needs of their **Client(s)** who have been affected by the catastrophe. Such extra expenses must be incurred beginning on the date of the catastrophe and within ninety (90) days thereafter;

provided, however, **We** have no obligation to make any Supplemental Payment once the Limit of Insurance shown in the Declarations is exhausted by payment of **Loss**.

## II. TERRITORY

This insurance applies to **Wrongful Acts** committed by an **Insured** anywhere in the world, provided the **Suit** is brought within the United States of America, its territories and possessions, Puerto Rico or Canada.

## III. DEFINITIONS

A. **Claim**, either in the singular or plural, means:

1. Any written demand the **Insured** receives for compensatory damages for a **Wrongful Act**, including but not limited to, the institution of arbitration proceedings against the **Insured**;
2. Any **Suit** seeking compensatory damages against the **Insured** for a **Wrongful Act**, commenced by the service of a complaint or similar pleading; or
3. Any subpoena or deposition notice received by the **Insured** arising out of **Professional Services** rendered by the **Insured**.

B. **Claim Expenses** means reasonable fees and costs incurred in the defense, investigation or appeal of a **Claim** incurred by any attorney **We** retain or any attorney the **Insured** retains with **Our** written consent. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of the **Insured** that are associated with the defense and investigation of a **Claim** except as provided in Supplemental Payments, Section I.D. above.

C. **Client** means any entity or individual for whom the **Insured** has agreed to render **Professional Services**, including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.

D. **Covered Product**, either in the singular or plural, means the following products offered by a **Product Provider**:

1. Property and Casualty Insurance coverage;
2. Fidelity and Surety Bonds;
3. Workers Compensation Insurance;
4. Life Insurance (other than Variable Life Insurance products), Accident and Health Insurance, Medicare Supplemental Insurance, Disability Income Insurance, or Annuities (other than Variable or Equity Indexed products);
5. Long Term Care Insurance;
6. a. Group Employee Benefit Plans other than a Multiple Employer Welfare Arrangement (as that term is defined in the Employee Retirement Income Security Act of 1974 [ERISA], as amended): Section 125 Plans, Group Life Plans, Group Accident and Health Plans, Long Term Care Plans, and Group Disability Plans, provided such plans are fully insured at all times; and

- b. Retirement, Pension or Profit Sharing Plans, Individual Retirement Accounts, Keogh Plans, 401(a), 401(k), 403(b), 408(k), 408(p), 501(b) or 503(b) and similar plans.

**Covered Product** does not include any plan or arrangement operating as a Multiple Employer Welfare Arrangement (as defined in ERISA, as amended).

E. **Employee Benefit Plan Administration** means:

1. Giving advice, counsel, or interpretation to plan participants regarding employee benefit plan provisions;
2. Handling day to day ministerial functions required by employee benefit plans, including enrollment in, or processing cancellation and termination of plan participation for participants, handling documents in association with the plan, and filing required reports with governmental and other agencies; or
3. Receipt or transmission of claims and verification of plan participation.

However, **Employee Benefit Plan Administration** does not include the approval or denial of coverage or claims or payment of claims.

F. **First Named Insured** means the first person or entity shown in the Declarations.

G. **Insured** means:

1. The **Named Insured**;
2. Solely while performing **Professional Services** for or on behalf of the **Named Insured**:
  - a. Any individual or entity who or which was, is, or shall be a duly elected or appointed director, officer, manager, member, partner or employee of any **Named Insured**;
  - b. Any individual, who was, is, or shall be a leased or loaned worker to the **Named Insured**; or
  - c. An individual or entity while acting as an independent contractor, provided there exists a written agreement with the **Named Insured** which is in effect at the time of the **Wrongful Act** for which **Claim** is being made, as long as that **Wrongful Act** is after the **Retroactive Date**, if any, shown in the Declarations.

H. **Interrelated Wrongful Acts** means **Wrongful Acts** that arise out of, or flow from, either directly or indirectly, one or a series of the same, common, related or repeated facts, matters, events, circumstances, transactions, practices, statements or decisions, whether such **Wrongful Acts** involve just the **Insured** or others for whose acts the **Insured** may be legally responsible, or the same or different claimants.

I. **Loss** means compensatory damages, whether part of an award or settlement, and any punitive or exemplary damages awarded against an **Insured**, but only to the extent such punitive or exemplary damages are insurable under applicable law. **Loss** shall not include:

1. Civil or criminal fines or penalties, or taxes;

2. Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief or attorney fees or costs awarded to the party seeking non-monetary relief;
3. The collection, payment or return of, or the failure to collect, pay or return, any commission, fee, tax, funds or premium; or
4. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.

J. **Named Insured** means:

1. Any individual or entity shown as a **Named Insured** in the Declarations or by endorsement;
2. The immediate predecessor insurance agency provided that the majority of owners, whether such owners are individuals or entities, of such predecessor insurance agency are the same as the majority of owners of the **Named Insured**; and
3. If during the **Policy Period** the **Named Insured**:
  - a. Acquires:
    - i. Any entity through the acquisition of the majority of the ownership interest or stock in such entity, or through the acquisition of the right to elect or appoint the majority of the directors, trustees or member managers of such entity; or
    - ii. Any entity by merger into or consolidation with the **Named Insured**; or
  - b. Forms another entity;

then, subject to the other terms and conditions of this Policy, coverage shall automatically apply to any **Claim** involving the acquired, merged, formed or consolidated entity for a period of sixty (60) days or the remainder of the **Policy Period**, whichever is less, following the effective date of such acquisition, merger, formation or consolidation (the Automatic Coverage Period), but only with respect to **Wrongful Acts** taking place after such acquisition, merger, consolidation or formation.

The **First Named Insured**, as a condition precedent to acquiring further coverage after such Automatic Coverage Period with respect to any **Claim** involving such acquired, merged, formed or consolidated entity, shall give written notice of such transaction to **Us** as soon as practicable, but in no event later than sixty (60) days following the effective date of such transaction, and shall thereafter promptly provide to **Us** such information as **We** may request.

Upon receipt of such notice and other information, **We** may, at **Our** option, provide to the **First Named Insured** a quotation for coverage under this Policy with respect to any **Claim** involving such entity after such Automatic Coverage Period for the remainder of the **Policy Period**. If the **First Named Insured** fails to comply with such condition precedent, or if within thirty (30) days following receipt of such quotation the **First Named Insured** fails to pay any additional premium required or fails to agree to any additional coverage terms and conditions as set forth in such quotation, coverage otherwise afforded hereunder shall not extend beyond the Automatic Coverage Period.

- K. **Personal and Advertising Injury** means:
1. False arrest, detention or imprisonment;
  2. Malicious prosecution;
  3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;
  4. Oral or written publication of material that slanders or libels an individual or entity, or that disparages an individual's or entity's goods, products or services;
  5. Oral or written publication of material that violates an individual's right of privacy;
  6. Misappropriation of advertising ideas; or
  7. Infringement of copyright, trade name, trade dress or service mark.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or, if applicable, any earlier termination date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Product Provider** means any of the following entities, if such entity is not partly or wholly owned by any **Insured**:
1. An insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted;
  2. A group insurance plan or trust fully insured by an insurance company authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted; or
  3. Any similar entity in the business of transacting insurance that, as a risk-bearing entity, provides an insurance product, and is authorized to transact business in the state or jurisdiction in which such business was transacted and at the time such business was transacted.
- N. **Professional Services** means the following services rendered in connection with a **Covered Product** by the **Insured** to a **Client** in the conduct of the **Named Insured's** profession as an Insurance Agent or Broker or Solicitor, General Agent, Managing General Agent, Surplus Lines Broker, or a Notary Public:
1. Soliciting (whether directly or indirectly), negotiating, placing, recommending, selling or servicing a **Covered Product**; but not including the sale, surrender, conversion or any alteration of a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  2. Providing advice or consultation solely related to a **Covered Product**, including financial planning or consulting solely related to a **Covered Product**, but not including any advice or recommendation to, in any way, sell, convert, surrender or alter a **Covered Product** in order to acquire or invest in anything other than a **Covered Product**;
  3. Incidental **Claims** adjusting in connection with first party Property claims draft authority;

4. Appraising real or personal property in connection with soliciting, placing, selling or servicing a **Covered Product**;
5. Providing loss control or risk management services in connection with soliciting, placing, selling or servicing a **Covered Product**;
6. Assisting a **Client** to secure premium financing from a licensed premium finance company for a **Covered Product** placed by or on behalf of the **Insured**;
7. Training, managing and supervising others, but only in connection with **Covered Products**;
8. **Employee Benefit Plan Administration**;
9. Expert witness testimony related to **Professional Services** or a **Covered Product**; or
10. Insurance class instruction.

However, **Professional Services** shall not include: -

- a. The ownership, creation, formation, operation or administration of, the adjustment of or administration of claims for:
  - i. Any Multiple Employer Welfare Arrangement;
  - ii. Any health maintenance organization or preferred provider organization;
  - iii. Any pool, syndicate, association or other similar group combination formed for the purpose of providing insurance or benefits; or
  - iv. Any risk retention group, purchasing group, Professional Employer Organization (PEO), captive or self-insurance program;
- b. Any services performed by any **Insured** in their capacity as the Named Fiduciary, as defined by ERISA, as amended, or trustee of any Employee Benefits Plan;
- c. Any services which the **Insured** is not licensed to render on any date on which a **Wrongful Act** involving such services is alleged to have occurred, provided that lack of license is due to the **Insured's** deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or is with the **Insured's** knowledge and consent; or
- d. Any commingling, misappropriation or conversion of **Client's** funds.

O. **Retroactive Date** means:

1. The date shown under **Retroactive Date** in the Declarations. If "none" is entered, full prior **Wrongful Acts** coverage is provided, subject to all other terms and conditions of this Policy; and
2. The **Retroactive Date** is the earliest date on which a **Wrongful Act** took place for which coverage could exist for a **Claim** made under this Policy. **Wrongful Acts** which occur in whole or part prior to this date are not covered, even if a **Claim** is made under this Policy during the **Policy Period** or Extended Reporting Period.

P. **Suit** means:

A civil proceeding seeking compensatory monetary damages. **Suit** includes:

1. An arbitration proceeding seeking compensatory monetary damages, provided, however, that the **Insured** is legally required to submit to arbitration, or does so with **Our** consent; or
2. Any other alternative dispute resolution proceeding in which compensatory monetary damages are claimed, and to which the **Insured** submits with **Our** consent.

Q. **Wrongful Act**, either in singular or plural, means:

1. Any actual or alleged negligent act, error or omission, or negligent misstatement or misleading statement by the **Insured** in the rendering of or failure to render **Professional Services**; or
2. Any actual or alleged negligent **Personal and Advertising Injury** arising out of the **Insured's** rendering of or failure to render **Professional Services**.

IV. **EXCLUSIONS**

**We** shall not be liable to make any payment in connection with any **Claim**:

- A. Based upon or arising out of any dishonest, fraudulent, criminal, malicious, intentional or willful act or omission by the **Insured** or any **Loss** expected or intended by the **Insured**, provided, however, this exclusion shall not apply unless there is a judgment, final adjudication or admission adverse to such **Insured** establishing that such **Insured** committed such conduct and applies only to the **Insured** who participated in, acted with knowledge of, or acquiesced to such conduct;
- B. Based upon or arising out of the **Insured** gaining in fact any personal profit or advantage to which such **Insured** was not legally entitled;
- C. Based upon, arising out of, or in any way involving any actual or alleged:
  1. Bodily injury, including sickness, injury, disease or death of any person; provided, however, this exclusion shall not apply to emotional distress or mental anguish solely based upon or arising out of the **Insured's** rendering of or failure to render **Professional Services**, or
  2. Damage to or destruction of any property, including loss of use thereof;
- D. Based upon, arising out of, or in any way involving any actual or alleged infringement of any intellectual property rights of another. However, this exclusion will not apply to infringement of copyright, trade name, trade dress or service mark, or misappropriation of advertising ideas committed in the course of advertising by the **Insured**;
- E. Based upon, arising out of, or in any way involving:
  1. Any pension, welfare or benefit plan organized for the benefit of employees of any **Insured**; or

2. Any **Insured's** obligations or services as a fiduciary or trustee for any pension, welfare or benefit plan organized for the benefit of employees of any **Insured** under ERISA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Pension Benefits Act, Pension Protection Act of 2006 (PPA), including any amendments, rules or regulations promulgated under any of the foregoing, or any similar provisions of any state or local statutory or common law;
- F. Based upon, arising out of, or in any way involving any **Insured's** actions, activities, responsibilities or duties as a Third Party Claims Administrator of any plan, whether insured or self-insured, except as provided under definition III.N. **Professional Services**;
- G. Based upon, arising out of, or in any way involving any sums the **Insured** is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability:
1. That the **Insured** would have in the absence of the contract or agreement, or
  2. Assumed in a written contract or agreement which is fully executed prior to the time of any actual or alleged **Wrongful Act** for which the **Claim** in question is made, and provided that the coverage for the **Claim** otherwise applies under this Policy. Solely for the purposes of liability assumed in a written contract or agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than the **Insured** are deemed to be **Loss** (and not **Claim Expenses**), provided:
    - a. Liability to such party for, or for the cost of, that party's defense has also been assumed under the written contract or agreement in question, and
    - b. Such attorney fees and litigation expenses are for defense of that party against a **Claim** or **Suit** seeking **Loss** to which this insurance applies;
- H. Based upon, arising out of, or in any way involving any actual or alleged warranty, promise, guarantee or representation as to the value or yield of any **Covered Products** or as to non-guaranteed interest rates or future premium payments;
- I. Based upon, arising out of, or in any way involving any **Insured's** actual or alleged employment-related practices, acts or omissions, whether in violation of contract or statutory or common law, including without limitation: the refusal to employ; wrongful termination of employment; discrimination or harassment of any kind; breach of employment contract; wrongful demotion, evaluation, reassignment or discipline; defamation, slander or libel; invasion of privacy; infliction of emotional distress; retaliation; malicious prosecution or abuse of process; or the payment of, or failure to pay wages;
- J. Based upon, arising out of, or in any way involving any services performed by the **Insured**, whether or not the **Insured** is licensed as such, as:
1. A tax preparer or advisor (except for tax advice provided directly concerning a **Covered Product**), accountant, architect, engineer, actuary, attorney, real estate agent or broker, or title insurance agent,
  2. A financial planner, except as to services directly related to a **Covered Product**, or
  3. A registered representative, registered investment advisor or investment advisor representative, or securities broker dealer;

- K. Based upon, arising out of, or in any way involving any **Claim** or dispute between **Insureds** or with another insurance agent or broker, registered representative, registered investment advisor or investment advisor representative including, but not limited to, any business dispute concerning commissions, fees, client lists, or non-compete or similar agreements. However, this exclusion shall not apply if the **Wrongful Act** arises out of **Professional Services** by an **Insured** rendered to such other **Insured**, agent or broker as a **Client**, provided the **Insured** rendering such **Professional Service** does not have any legal or equity interest in the subject of the insurance or investment procured for the **Client**;
- L. Based upon, arising out of, or in any way involving the **Insured's** unauthorized use or release of any confidential or private information pertaining to any **Client**, any director, manager, partner, member, officer or employee of any **Client** or any family member of any such person, but this exclusion shall not apply if such use or release was made without the knowledge of the **Insured** seeking coverage;
- M. Based upon, arising out of, or in any way involving any bankruptcy, receivership, conservatorship, insolvency, or financial inability to pay of any entity, including but not limited to a **Product Provider**, regardless of when the financial impairment of such entity began and whether or not any **Insured** was aware or could have been aware of the financial impairment of such entity. However, this exclusion shall not apply if at the time of the placement or renewal of coverage the **Product Provider** was:
1. An admitted insurance company rated B+ or better by A.M. Best Company,
  2. A non-admitted insurance company rated A- or better by A.M. Best Company that is also authorized to conduct business in the applicable state in which the **Covered Product** was sold, placed or obtained, or
  3. The **Product Provider** was guaranteed or operated by a governmental body or bodies (including, but not limited to assigned risk plans, Joint Underwriting Associations, State or Federal Flood, Wind or FAIR pools or plans, or guarantee funds), or was a County Mutual reinsured by carriers rated B+ or better by A.M. Best Company;
- N. Based upon, arising out of, or in any way involving the direct or indirect placement of, or any recommendation to place, any **Client's** insurance, coverage, funds, premium, or product with or in any **Product Provider**, entity or vehicle not authorized to transact such business in the state or jurisdiction in which such business was conducted, provided, however, this exclusion shall not apply with respect to any **Product Provider** authorized or approved as a surplus lines insurer or carrier in the state or jurisdiction in which such business was transacted;
- O. Based upon, arising out of, or in any way involving any:
1. Promissory notes,
  2. Viatical or life settlements as investments, or viatical investment pools, or
  3. Securities (as defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any amendments thereto), or
  4. Commodities, futures contracts, or option contracts;

- P. Based upon, arising out of, or in any way involving the offering, sale or servicing of any structured settlement, provided, however, this exclusion shall not apply to a **Claim** solely based upon or arising out of the selling or servicing of a **Covered Product** utilized to fund a structured settlement;
- Q. Based upon or arising out of:
1. Any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy, and
  2. Any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** which has been the subject of the notice in Q.1., above, would constitute **Interrelated Wrongful Acts**;
- R. For **Personal and Advertising Injury** based upon or arising out of:
1. The oral or written publication of material, if done by or at the direction of the **Insured** with knowledge of its falsity, or
  2. The oral or written publication of material whose first publication took place before the **Retroactive Date**;
- S. Based upon, arising out of, or in any way involving any actual or alleged violation of :
1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law,
  2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law, or
  3. Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating, or distribution of material or information.

V. **LIMIT OF INSURANCE AND DEDUCTIBLE**

- A. The Limit of Insurance shown in the Declarations as applicable to each **Claim** is **Our** maximum liability for **Loss** resulting from any one **Claim**. Without regard to the number of **Claims** or **Insureds** against whom a **Claim** has been made, all **Loss** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** will be subject to the each **Claim** limit of liability in effect the first **Claim** arising out of the **Wrongful Act** or **Interrelated Wrongful Acts** was made.
- B. The Limit of Insurance shown in the Declarations as applicable in the Aggregate is **Our** maximum liability for all **Loss** resulting from all **Claims** made during the **Policy Period**.
- C. **We** shall only be liable to pay **Loss** and **Claim Expenses** in excess of the Deductible shown in the Declarations, which Deductible shall apply to each and every **Claim**. The Deductible does not increase the Limit of Insurance.

The Aggregate Deductible limit that applies for all **Claims** first made during the **Policy Period** will not exceed three times the Deductible shown in the Declarations Page. The Aggregate Deductible limit applies separately to each consecutive annual **Policy Period**.

- D. If **We** pay all or part of any Deductible amount, **We** will notify the **Named Insured** of **Our** payment of the Deductible, and request reimbursement. The **Named Insured** will pay **Us** for the part of the Deductible **We** paid within thirty (30) days of **Our** request.
- E. The Deductible may only be satisfied by an actual cash payment by the **Named Insured** and may not be satisfied by the release of a claim or counterclaim.

## VI. CONDITIONS

### A. Entire Agreement

It is agreed that this Policy together with any endorsements and the Declarations constitutes the entire agreement existing between **You** and **Us**.

### B. Extended Reporting Period

1. **We** will provide an Extended Reporting Period as described below if this policy is cancelled or non-renewed for any reason other than non-payment of premium, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.
2. Extended Reporting Periods do not extend the **Policy Period** or change the scope of coverage provided. Once in effect, Extended Reporting Periods may not be canceled.
3. Extended Reporting Periods do not apply to **Claims** that are covered under any subsequent insurance **You** purchase or that would be covered but for exhaustion of the amount of insurance applicable to such **Claims**.
4. All **Claims** under Extended Reporting Periods must be reported to **Us** in accordance with Conditions VI. D.
5. Basic Extended Reporting Period
  - a. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts at the date of Policy termination or the end of the **Policy Period**, whichever is earlier, and lasts for sixty (60) days.
  - b. **Claims** made against the **Insured** within sixty (60) days after Policy termination or the end of the **Policy Period**, whichever is earlier, and which arise out of a **Wrongful Act** that was committed during the **Policy Period** but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
  - c. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
6. Supplemental Extended Reporting Period
  - a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. **You** must give **Us** a written request for the endorsement within sixty (60) days after the end of the **Policy Period**, or Policy termination date, whichever is earlier. The Supplemental

Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.

- b. The Supplemental Extended Reporting Period endorsement will set forth the specific terms applicable to the Supplemental Extended Reporting Period selected. **Claims** made against the **Insured** within the term of the Supplemental Extended Reporting Period which arise out of a **Wrongful Act** that was committed during the **Policy Period**, but not before the **Retroactive Date**, if any, stated in the Declarations, will be deemed to have been made on the last day of the **Policy Period**.
- c. The Supplemental Extended Reporting Period does not reinstate or increase the Limits of Insurance.
- d. Supplemental Extended Reporting Period terms and corresponding additional premium percentages:

Term (Years)	Rate (% of Expiring Annual Premium)
1	70%
2	100%
3	130%
4	160%
5	200%
10	300%

- e. If the **Named Insured** fails to notify **Us** of a change in control within sixty (60) days of such change, pursuant to Condition M., below, they will not be eligible to purchase any Supplemental Extended Reporting Period coverage that they might otherwise be entitled to.

**C. Liberalization**

If **We** adopt a change in **Our** forms or rules during the term of this Policy which would broaden the coverage provided by any form that is a part of this Policy without an extra premium charge, the broader coverage will apply to this Policy. This extension is effective upon the approval of such broader coverage in **Your** headquarters state.

**D. Reporting of Potential Claims or Actual Claims**

1. Reporting of Potential Claims

If during the **Policy Period**, **You** first become aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim**, and during the **Policy Period** give written notice to **Us** of such **Wrongful Act** as required below, then any **Claim** subsequently made against **You** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period**.

Written report of a potential **Claim** must include:

- a. The specific facts and circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** and **Clients** involved;
- b. The date and circumstances by which **You** became aware of such **Wrongful Act**; and

c. The **Loss** that may reasonably result.

2. Reporting of Actual Claims

**You** shall provide notice to **Us** as soon as practicable after a **Claim** is first made against **You**. This notice shall be deemed sent to **Us** only if it is received by **Us** via facsimile or electronic mail or sent by **You** by prepaid registered or return-receipt-requested mail properly addressed to **Us** at the address shown in or attached to this Policy.

E. **Legal Action Against Us**

No person or organization has a right under this Policy:

1. To join **Us** as a party or otherwise bring **Us** into a **Suit** asking for damages from an **Insured**; or
2. To sue **Us** on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an **Insured**; but **We** will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by **Us**, the **Insured** and the claimant or the claimant's legal representative.

F. **Subrogation and Assignment**

1. If the **Insured** has rights to recover all or part of any payment **We** have made under this Policy, those rights are transferred to **Us**. The **Insured** must do nothing to impair them. At **Our** request, the **Insured** will bring **Suit** or transfer those rights to **Us** and help **Us** enforce them.
2. **You** may not assign any interest in this Policy unless **We** give **Our** prior written consent.

G. **Changes**

The terms of this Policy shall not be waived or changed, except by endorsement issued by **Us** to form a part of this Policy. Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or stop **Us** from asserting **Our** rights under the terms of this Policy.

H. **Authorization Clause/Notices**

By acceptance of this Policy by payment of premium, **You** agree that the **First Named Insured** shall act on **Your** behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices regarding coverage or other matters.

I. **Other Insurance**

1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the **Insured** and shall not contribute with other such insurance. If the **Insured** has other insurance for the **Loss** covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and then shall apply only in the amount by which the applicable Limit of Insurance of this Policy exceeds the sum of the applicable Limit of Insurance of all such other insurance.

This provision will not apply if the **Insured** has similar coverage with **Us**, or one of **Our** affiliates. In this event, the **Insured** must elect under which policy the **Claim** will be made. –

2. The **Insured** shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after:
  - a. Receipt of a **Claim**;
  - b. Obtaining information regarding a potential **Claim**; or
  - c. **We** request such notice be given.

J. **Conformance With State Statutes**

Terms of this Policy that are in conflict with the statutes of the state or province in which this Policy is issued and delivered to **You** are hereby amended to conform to such statutes.

K. **Cancellation and Nonrenewal**

1. **Cancellation**

- a. The **First Named Insured** may cancel this Policy by mailing or delivering to **Us** advance written notice of cancellation. The **Policy Period** will end on the effective date requested.
- b. **We** may cancel this Policy only in the event of non-payment of premium, and if **We** cancel for non-payment of premium, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for cancellation, at least ten (10) days before the effective date of cancellation, or as stated in the state specific changes endorsement attached to this Policy.
- c. Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on the date of cancellation.
- d. If this Policy is cancelled, **We** will send the **First Named Insured** any premium refund due. If **We** cancel, the refund will be the pro rata unearned premium. If the **First Named Insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **We** have not made or offered a refund.
- e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

2. **Non-renewal by Us**

- a. **We** are not required to renew this Policy when it expires.
- b. If **We** elect not to renew this Policy, **We** will mail by first class or certified mail, to the **Named Insured** and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for non-renewal, at least sixty (60) days, but not more than one hundred and twenty (120) days before the effective date of non-renewal.
- c. Notice of non-renewal will state the effective date of non-renewal. The **Policy Period** will end on the date of non-renewal.
- d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

L. **Bankruptcy**

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve **Us** of **Our** obligations under this Policy.

M. **Notification of Change of Control of Named Insured**

If during the **Policy Period** there is an acquisition of the **Named Insured**, or of a majority of its assets, by another individual or entity, or there is a merger or consolidation of the **Named Insured** with another entity such that the **Named Insured** is not the surviving entity, then coverage under this Policy shall continue for sixty (60) days after the date of such acquisition, merger, consolidation or change of control, but only with respect to a **Wrongful Act** occurring prior to the acquisition, merger, consolidation, or change in control.

The **Named Insured** shall give **Us** written notice of such event within sixty (60) days of the acquisition, merger, consolidation or change of control together with any information **We** may require.

The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Named Insured**, or the **Named Insured** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition.

This Policy is not valid unless a Declarations page is signed by **Our** authorized representative.

IN WITNESS WHEREOF, **We** have caused the signatures of **Our** executive officers to be affixed hereto, and have caused this Policy to be countersigned by **Our** authorized representative.

## Arkansas Changes – 144497 06 07

Policy Amendment

This endorsement modifies insurance provided under the following:

### Independent Life Insurance Agents Errors and Omissions Liability Insurance Coverage Independent Property & Casualty Insurance Agents Errors and Omissions Liability Insurance Coverage

A. Section VI. **CONDITIONS**, B. **Policy Extended Reporting Period**, item 1. is deleted in its entirety and replaced by the following:

1. **We** will provide an Extended Reporting Period as described below if this Policy is cancelled or non-renewed for any reason, or if **We** renew this Policy with insurance that has a **Retroactive Date** later than the date shown in the Declarations of this Policy.

Within thirty (30) days after this Policy is cancelled or nonrenewed, **We** will advise the **First Named Insured** and the agent or broker of record, in writing, of the availability of, the premium for, and the importance of purchasing, an Extended Reporting Period.

B. Section VI. **CONDITIONS**, B. **Policy Extended Reporting Period**, 6. Supplemental Extended Reporting Period, items a. and c. are deleted in their entirety and replaced by the following:

- a. A Supplemental Extended Reporting Period is available by endorsement and for an additional charge. The terms and charges are shown in d. below. This Supplemental Extended Reporting Period begins when the Basic Extended Reporting Period, described in 5. above, ends. **You** must give **Us** a written request for the endorsement within sixty (60) days after the end of the **Policy Period**, or Policy termination date, whichever is earlier. The Supplemental Extended Reporting Period will not go into effect unless the additional premium for it is paid promptly when due and any premium or deductible the **Named Insured** owes **Us** for coverage provided under this policy. Such premium will be deemed fully earned at the inception date of the Supplemental Extended Reporting Period.

- c. **We** will provide a separate Aggregate Limit of Insurance for the Supplemental Extended Reporting Period, but only for **Claims** first made against any **Insured** during the Supplemental Extended Reporting Period.

The Supplemental Extended Reporting Period Aggregate Limit of Insurance shall be equal to the Aggregate Limit of Insurance shown in the Declarations, at the end of the **Policy Period**. The Supplemental Extended Reporting Period Aggregate Limit of Insurance is the most **We** will pay for **Loss** covered by this Policy under the Supplemental Extended Reporting Period. Any payment **We** make for **Loss** will reduce or exhaust the Supplemental Extended Reporting Period Aggregate Limit of Insurance available for payment of **Loss** arising out of any other **Claim**.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

C. Section VI. **CONDITIONS**, K. **Cancellation and Nonrenewal**, item 1.d., the following is added:

**We** will refund the pro rata unearned premium if this Policy is cancelled:

- i. By **Us** at **Our** request;
- ii. But rewritten with **Us** or in **Our** company group;
- iii. Because the **Named Insured** no longer has an insurable interest in the property or business operation that is the subject of this insurance; or
- iv. After the first year of a prepaid Policy that was written for a term of more than one year.

If this Policy is cancelled at the request of the **First Named Insured** for reasons other than i. through iv. above, **We** will refund 90% of the pro rata unearned premium. However, the refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by **Us** to an amount less than the minimum premium due for this Policy.

All other terms and conditions of the Policy remain unchanged.